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A PLIMSOLL LINE FOR LABOUR?

THE STATUTORY MINIMUM WAGE QUESTION IN BRITISH POLITICS, 1910-1939

by

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DECLARATION

This thesis is entirely my own work, and has not been submitted for a degree at another university.

Where I have relied on other works, the appropriate reference is listed at the foot of each chapter. All books cited were published in London unless stated otherwise.

Material contained in Chapter Two, relating to the 1912 Coal Mines (Minimum Wage) Act and the agricultural minimum wage proposals of 1913-1914, is based on work contained in my unpublished MA dissertation, “An experiment and a revolution. The issue of minimum wages in the Edwardian period” (University of Newcastle upon Tyne, 1996), Chapters Three and Four, respectively.

ABSTRACT

This study charts the development of statutory minimum wage policy between 1906-1939. Unlike other works touching upon the minimum wage theme, this study makes extensive use of trade union and employers' organisation records. Indeed, the fate of official minimum wage policy can only be understood by giving full consideration to the views of the two sides of industry, especially with regard to the inter-war period. The sensitivities of employers' organisations and the TUC played a crucial role in influencing the character of government policy in this field. Trade boards, representative of employers and workers within a strictly defined low-paying sector, were a 'lowest common denominator' minimum wage policy that suited the interests of representative organisations on both sides of industry. The TUC, never wholly comfortable with the notion of government 'interference' in the unions' sphere of wage-rate determination, recognised that in sectors where organisation was difficult to foster, a legal minimum rate could help safeguard the wage standards of all workers, including the higher-skilled. Likewise, employers may have been wary of 'red tape'; but those suffering from undercutting by non-federated rivals appreciated a basic legal 'floor' to wages. Thus, in those sectors where voluntary collective bargaining could not ensure minimum standards, both sides of industry could embrace trade boards as a substitute. Thus, in seeking to account for the absence of a uniform national minimum wage until 1998, the attitudes of both sides of industry, and the TUC in particular, should be borne in mind as much as inertia on the part of government. Chapters One to Three provide a chronological analysis of the development of minimum wage policy between 1906-1918. Chapters Four and Five cover the inter-war period, dealing with the vicissitudes of trade boards and the unsuccessful fate of 'universal' minimum wage policies, respectively.

LIST OF ABBREVIATIONS

ASE	Amalgamated Society of Engineers
AST&T	Amalgamated Society of Tailors and Tailoresses
AUCO	Amalgamated Union of Clothing Operatives
Cd./Cmd.	Command Paper
CPGB	Communist Party of Great Britain
EEF	Engineering Employers Federation
FBI	Federation of British Industries
H.C. Deb.	House of Commons Parliamentary Debates ('Hansard')
H.L. Deb.	House of Lords Parliamentary Debates ('Hansard')
HMSO	His/Her Majesty's Stationary Office
ILO	International Labour Organisation
ILP	Independent Labour Party
JIC	Joint Industrial ['Whitley'] Council
MFGB	Miners' Federation of Great Britain
MP	Member of Parliament
MRC	University of Warwick, Modern Records Centre
MSS	Manuscripts
NAC	(Independent Labour Party) National Administrative Council
NALRWU	National Agricultural Labourers & Rural Workers Union
NASL	National Anti-Sweating League
NCEO	National Confederation of Employers Organisations
NFWW	National Federation of Women Workers
NIC	National Industrial Council
NUGW	National Union of General Workers
PJC	(National Industrial Conference) Provisional Joint Committee
PRO	Public Record Office
TB(E)CC	Trade Boards (Employers') Consultative Council
T&GWU	Transport and General Workers Union
TTB	Tailoring Trade Board
TUC	Trades Union Congress
(TUC)TBAC	(Trades Union Congress) Trade Boards Advisory Council
USRC	Unionist Social Reform Committee
Vol.	Volume
WCMF	Wholesale Clothing Manufacturers' Federation
WR	Walter Runciman (Collection of Papers)
WTUL	Women's Trade Union League
WW1	World War One
WW2	World War Two

INTRODUCTION

Britain's first statutory national minimum wage was enacted in 1998.¹ This achievement may be interpreted by contemporaries as yet another instance of Britain belatedly following the lead of European Union states in the establishment of basic minimum rights for workers. However, it is 'something of a well-kept secret'² that Britain was the first modern nation in the Northern Hemisphere to initiate state intervention in wage-rate determination. The Trade Boards Act of 1909 established boards comprised of equal numbers of employers' and workers' representatives, together with independent members, for the purpose of fixing minimum wages in a handful of notoriously 'sweated' trades. Subsequently, trade boards were expanded significantly both in function and in number after 1918, and again after 1945, when they became wages councils. In fact, this study will demonstrate that wages boards provided the template for all peacetime legal minimum wage policy initiatives in Britain until the abolition of the wages councils in 1993.

Historians have tended to neglect the question of minimum wage regulation in favour of analysing the formation, development and effect of state welfare provision during the twentieth century.³ The modest coverage of the first Trade Boards Act, together with the relatively quiet and unspectacular development of official minimum wage policy over the following decades, probably accounts for this oversight. Indeed, from the outset, the minimum wage question was often 'crowded out' from party political discourse by other welfare policy initiatives. More widely-applicable welfare reforms such as

Asquith's provision for non-contributory Old Age Pensions in 1908 and Lloyd George's National Insurance Act of 1911 naturally won more attention from Edwardians than the trade boards. Minimum wage legislation did not even feature as the most pressing concern for Churchill at the Board of Trade in 1909; he and his officials focussed primarily on plans for labour exchanges and the unemployment aspect of National Insurance.

The Trade Boards Act was notable for breaking a widely-held taboo concerning the appropriate level of governmental responsibility for the welfare of its citizens whilst at the same time enjoying cross-party Front Bench endorsement in parliament on account of its limited and experimental nature. However, it was not unique in this respect; the non-pauperising 1906 Education (Provision of Meals) Act was of a similar character.

Nevertheless, the decision by the state to guarantee a minimum wage to certain workers in private sector employment represented a greater challenge to conventional principles of political economy than any of the more famous Edwardian welfare reforms. This was recognised by R.H. Tawney, who asserted that,

the silent abandonment of the doctrine, held for three generations with an almost religious intensity, that wages should be settled, as it was said, by free competition, and by free competition alone, is one of the most remarkable changes in economic opinion which has taken place in the last hundred years.⁴

In addition to shaking the foundations of Victorian political economy, the semi-autonomous nature, and representative constitutional structure of trade boards helped circumvent a major logistical challenge to the ability of the state

to intervene in wage fixing. After all, the skills of a tightrope walker are required to perform the task efficiently. A minimum rate set too low to provide stimuli to the living standards of the lowest paid workers in society is of little use, whereas a rate fixed too high risks aggravating unemployment and worsening the condition of precisely those for whom the policy is intended to benefit. Leaving the negotiation of statutory wages minima to representative interests from the sectors concerned therefore minimised the risk of embarking upon such a radical intervention in the labour market. In addition, wage systems in many British industries were far from straightforward. The myriad of localised piece- and time-work payment systems, and sometimes a combination of both, together with various forms of bonus payments, could make the task of calculating an individual worker's wage packet taxing even for an experienced trade union official. The role played by trade union and employer organisation personnel in the determination of trade board minima was thus a crucial feature of Britain's minimum wage apparatus. This theme will be explored in later chapters.

Of course, it should be borne in mind that throughout the period of this study, for the majority of British workers not members of a trade union and outside the coverage of voluntary collective agreements specifying standard rates, wage determination was effectively at the behest of individual employers.⁵ For lesser-skilled workers, only the law of supply and demand, an inadequate safeguard wherever pools of unemployment existed, and the informal 'moral minimum' of local customary rates tempered employers' freedom in this regard. 'Sweating', recognised by 1890 as a phenomenon embracing a combination of low wages, excessive hours of labour and poor

sanitary conditions⁶ occurred in many of these unorganised and unregulated sectors.

Historians devoting attention to sweated labour have given consideration to the first Trade Boards Act, but too frequently only in terms of an apparent settlement of the issue towards the end of the Edwardian period. Constricting analysis of the trade boards within the sweating paradigm neglects the wider question of the development of minimum wage policy in the decades after 1906. It also fosters the illusion that sweating had somehow ceased to exist after 1914. Arguably, the poorest workers in Britain continue to this day to endure long hours of labour in unsatisfactory working conditions for meagre financial reward. Thus Duncan Bythell's plea that the Trade Boards Act 'deserves more than the brief passing mention which it usually gets from historians' should be interpreted as a criticism of his own work. He considers the 1909 Act fleetingly, merely within the context of a belated legislative response to a, by then residual, system of outwork.⁷

Jenny Morris identifies the Edwardian recognition of women as amongst the chief victims of sweating as the crucial factor behind the decision of the state to intervene in the wages contract. However, whilst her study is an efficient articulation of the 'conservative' motivations underlying social policy formation, it is tarnished by an over reliance on the simplistic notion that the concept of 'social control' alone accounts for the 1909 Act.⁸ Whereas Morris attributed the minimum wage innovation in terms of the interests of larger factory employers seeking both social control and the elimination of unregulated competition, James Schmiechen emphasised the role of the well-connected women's industrial rights movement.⁹ In particular, he credited the

Women's Trade Union League (WTUL) and the Women's Industrial Council for the subsequent campaign by the National Anti-Sweating League (NASL) for a wages board solution to the sweating problem.

By contrast, Roger Davidson interpreted the Trade Boards Act more as a rearguard victory for civil servants than as a triumph of pressure group campaigning.¹⁰ Emphasising the refusal of the Board of Trade to compile an adequate statistical database concerning the extent of low-income poverty, he attributed the minimalist nature of minimum wage policy to Whitehall's disapproval of the principle.

Sheila Blackburn similarly regards the 1909 Act as 'a timid and hesitant measure with many flaws.'¹¹ In 1988 Blackburn seemed to endorse Davidson's thesis that civil servants were to blame for this.¹² By 1991 she qualified this point by arguing that the NASL was equally culpable in limiting the form of minimum wage legislation.¹³ Eight years later Blackburn blamed the propagandising of NASL veterans such as R.H. Tawney and J.J. Mallon alone for the long-term survival of Britain's system of minimum wage-fixing boards and the exclusion of the 'alternative' policy of a uniform national minimum wage.¹⁴ In the view of this author, her conviction that the incipient movement for such a national minimum wage was damaged by the unjustifiably favourable publicity surrounding the trade boards is unsatisfactory, and detracts from her effective critique of the shortcomings of the welfare consequences of trade boards in action. Later chapters of this study will demonstrate that there was barely any nascent movement for a uniform national minimum wage policy to suppress until the 1980s, let alone

prior to 1939. Generally, Blackburn's arguments are most convincing when confined to an examination of the factors contributing to the 1909 Act.¹⁵

At least Blackburn has attempted to relate her scrutiny of trade boards to the wider question of general minimum wage policy beyond 1914. The importance of the sweated labour issue should not be underestimated with regard to the initial decision of the British polity to sponsor minimum wage legislation in 1909. However, this thesis is concerned more with the development of minimum wage policy in its own right after this date. Crucial to the character of this study is the fact that in the debates concerning minimum wage policies after 1910, and especially during the First World War and throughout the inter-war period, trade unions and employers' organisations were far more vocal and influential than they were before 1909.¹⁶ In order to understand the course of minimum wage policy development after 1909, shifting standpoints regarding the usefulness of trade boards amongst the trade unions, employers organisations' and government in turn will be considered more important than their performance as anti-poverty agencies *per se*.

In Vivien Hart's opinion, British minimum wage policy failed to develop between the creation and abolition of wages board apparatus at either end of the twentieth century.¹⁷ This reasoning overlooks important developments occurring as a result of 'reconstruction' thinking during both world wars. Parliament in 1918 and 1945 envisaged that trade boards and wages councils (respectively) would lose their limited, anti-sweating, character and fulfil a much broader 'substitute collective bargaining' role for ill-organised sectors. Due attention is devoted to the significance of the

second Trade Boards Act and the wages council legislation of the 1940s in Frederick Bayliss' thorough administrative history of the first half-century of British wages boards in operation.¹⁸ However, his conclusions reflect the sadly misplaced optimism of trade unionists forty years ago. He expected that continuing full employment and the growth of collective bargaining would render obsolete such compulsory minimum wage-fixing machinery.

This study will emphasise the role of representative industrial organisations in influencing the character of British minimum wage policy after 1910. Hart attributed its 'feebleness' to the leverage of powerful sectional interests such as the Labour Party, the trade unions and employers' organisations.¹⁹ In a recent study covering the working of the clothing trade boards over five decades, James Gillespie has emphasised the extent to which organised employers and trade unions alike utilised legal minimum wage machinery to serve their own interests.²⁰

In seeking to account for the endurance of trade boards, to the apparent detriment of universal minimum wage policies, Gillespie's approach is more illuminating than Blackburn's. Whilst Blackburn has highlighted the shortcomings of trade boards in remedying low pay amongst unorganised workers, Gillespie has demonstrated the more pertinent point that this issue was not of primary importance in determining the attitudes of employers *and* trade unions towards them. Rather, trade boards proved themselves of strategic value to those industrial organisations which were not representative in themselves of the majority of unorganised employers and workers but which nevertheless enjoyed (over-) representation on them. The role of trade board propagandists such as R.H. Tawney and J.J. Mallon was thus not of

central significance in seducing the labour movement away from an endorsement of national minimum wage policies.

David Vincent, in an impressive study of how (little) state welfare policies affected the lives of the poor, considered that a universal minimum wage policy would have proved 'by far the most significant long-term contribution to the alleviation of poverty'.²¹ Rodney Lowe is one of very few historians who have scrutinised the minimum wage as a national political issue.²² He emphasised the Cabinet's endorsement of a universal minimum wage policy in April 1919. Relying heavily on his extensive research through Whitehall archives, he attributes the failure to implement this policy chiefly to the tactics of the Treasury, which was hostile to such a departure from orthodox economic principles. This study does not dispute Lowe's argument in this context. Instead, it lays rather more emphasis on the role of the inter-war labour movement hierarchy for the lack of momentum for universal minimum wage policies. Ever appreciative of the principle of collective working class self help, it remained hostile towards the extension of minimum wage policy beyond a finite application of trade boards.

Thus Adrian Vinson was right to conclude that during the inter-war period, 'it was falling prices and new technology, rather than state intervention in the labour market, which contributed most to the diminution of poverty for those in employment'.²³ Attention was drawn in the same article to the relevance of the campaign for the 'endowment of motherhood' (family allowances) in relation to the minimum wage. The Fabians and the Independent Labour Party (ILP) were rare amongst pre-1939 minimum wage policy enthusiasts in acknowledging that it could only serve as an effective

tool against poverty if implemented in conjunction with other measures guaranteeing households a minimum income. Furthermore, John MacNicol asking *on what grounds* were family allowances acceptable to policy makers inspired the conceptual framework of this study.²⁴ Likewise, this study seeks to analyse the statutory minimum wage question on the basis of on what grounds, or to what extent, the principle was acceptable as a practical policy expedient amongst government, industrial organisations, political parties and pressure groups.

So much for the historiography of the minimum wage theme. We now turn to how the debate about the merits of the policy began. The Victorian media revisited the scandal of sweated labour during the 1880s.²⁵ A generation earlier, the public outcry following Henry Mayhew's exposure of sweating in the *Morning Chronicle* soon subsided as the British economy embarked on a prolonged period of robust economic growth after 1851. However, during the so-called 'great depression', a period between 1879-1896 characterised by a downward trend in agricultural prices, land values, company profits and dividends, the concurrent rapid economic development of America and Germany was viewed with apprehension by influential opinion formers. With Britain's world-wide pre-eminence no longer assured, strategic considerations helped ensure that the blight of poverty did not disappear from the consciousness of informed public opinion.

Nevertheless, in spite of British political discourse being awash with concern at the endurance of poverty in the midst of plenty during the mid-1880s, it was not until the following decade that policies involving state

regulation of wages were even suggested as a potential remedy. Ricardo's dictum that wages 'should be left to the fair and free competition of the market, and should never be controlled by the interference of the legislature'²⁶ remained a central tenet of Victorian political economy.

In his *Life and labour of the people*, published in 1889, Charles Booth advocated drastic intervention in the labour market. However, this was intended to remodel its composition and stimulate higher earnings via the normal forces of supply and demand. He believed that want and distress amongst poor households relying on 'intermittent' or 'small regular' earnings (his classes 'C' and 'D' respectively) could be relieved if the competition of loafers, semi-criminals and indolent casual workers was eliminated. For these hopeless classes 'A' and 'B', Booth favoured stern state supervision and correction in isolated labour colonies.²⁷

The conclusions of the House of Lords Select Committee on the Sweating System reflected the limits of contemporary advanced opinion. It considered the spread of voluntary organisation, together with better enforcement and extension of Factory and Public Health legislation to be adequate remedies for sweating. Its one innovative recommendation was that the Government and other public bodies should take steps to prevent sweating in connection with contracts given out by them. At the instigation of Sydney Buxton, the Liberal MP for Poplar, the Commons accordingly passed the Fair Wages Resolution on 13 February 1891. Henceforth, the payment of wage-rates 'generally accepted as current', i.e. often trade union standard, was a stipulation of public sector contracts. The London County Council and the London School Board led the local authorities in adopting similar measures.

However, the notion that the government should make the 'quantum leap' from merely setting an example as a responsible employer to intervening in the private sector to ensure fair wage standards, a 'Plimsoll line for labour as well as ships',²⁸ was still seen as incredible. Only after a radical intellectual re-appraisal of the meaning of liberty during the 1890s was it considered less so. Professor T.H. Green was an influential figure for a new generation of Liberals. He taught that freedom of action in the economic sphere must be tempered by consideration of the common good. The *Rainbow Circle* was a typical outlet for these New Liberals. Founded in 1894, members such as John A. Hobson, Richard Haldane, Herbert Samuel, John Robertson and Percy Alden debated with socialists such as Herbert Burrows, of the Social Democratic Federation, and Ramsay MacDonald. During their early discussions, the group dismissed the 'Old Manchesterism' school of political economy as a manufacturers creed, and embraced instead the new radicalism of collectivism; 'To coerce a minority may be to free a majority.'²⁹

Of course, even during the heyday of *laissez-faire* doctrine, the state had recognised that it had a duty to intervene in the labour market in order to protect the population from gross exploitation made possible under conditions of unregulated capitalism. For instance, the 1847 Factory Act limited the working day of textile workers to a maximum of ten hours. From the late 1860s onwards, a plethora of health and safety regulations embracing an ever-increasing proportion of British industry were enacted.

J.A. Hobson was the first economist to acquire a heretical reputation for viewing wage regulation sympathetically. He had become convinced of the seemingly paradoxical 'economy of high wages' by 1893.³⁰ Hobson was

impressed by the evidence of Thomas Brassey, a world-renown railway contractor, who had demonstrated that higher-paid, and therefore better fed, labour was generally more productive. Moreover, the higher wage bill spurring technical innovation and the utilisation of labour-saving machinery further enhanced efficiency gains.³¹ By this time, Hobson was developing his 'under-consumption' thesis. This held that the combination of insufficient working class wages and over-saving by the higher classes constrained levels of demand, employment and prosperity in the domestic economy. His solution was to redistribute the 'surplus' from the wealthy to the wage-earning classes.³²

In 1896 Hobson took a step further and made a plea for the principle of a 'living wage' to govern wage-determination for all workers.³³ This was not so much a minimum, as an optimum, wage proposition. He urged a steady but persistent raising of all wages and 'the formal and express abandonment of the "higgling of the market" as the sole and sufficient determinant of wages, and the substitution of a principle in which "needs" and decency of life find expression'. Hobson's living wage goal was necessarily an elastic concept, 'incapable of exact definition' and varying in value according to the level of a worker's existing earnings.

Sidney and Beatrice Webb issued a more precise demand for a statutory minimum wage policy in 1897.³⁴ The Webbs devised the concept of the 'National Minimum', 'the prohibition of all such conditions of employment as are inconsistent with the maintenance of the workers in a state of efficiency as producers and citizens'. In order to secure the community against the evils of sweating,³⁵ they asserted that existing legislation providing

a rudimentary minimum of sanitation and leisure was not enough. 'To be completely effectual, the Policy of the National Minimum will, therefore, have to be applied to wages.' The Webbs favoured a subsistence-level minimum wage, 'determined by practical inquiry as to the cost of food, clothing, and shelter physiologically necessary, according to national habit and custom, to prevent bodily deterioration.'

Seebohm Rowntree devised his own such physiological needs-based measure of a 'poverty line' to illustrate that fifteen per cent. of York's working class households, ten per cent. of York's population, lacked sufficient income to purchase enough for bare physical existence in 1899.³⁶ A state-underwritten minimum wage policy was a logical response to Rowntree's demonstration that even with the strictest self-discipline in the manner of expenditure, one-tenth of the population could not make ends meet. After all, the true extent of poverty in this relatively prosperous town was shown to be nearly ten times greater than the level of pauperism.

However, by the turn of the twentieth century, the belief that poverty was a symptom of character failings still held sway, albeit to varying degrees, by informed political opinion. A.J. Sherwell's *Temperance and the social problem*, which had sold 90,000 copies and gone through ten editions in the five years after its 1899 publication,³⁷ had more of an impact than Rowntree's study during the first few years of the twentieth century. Moreover, the Fabian argument that there was no intrinsic difference between wage regulation and other forms of statutory interference in workplace conditions was not widely accepted. The 'marginal utility' theory of wages, which held that wages were determined by a worker's individual contribution to output,

was an effective psychological barrier to the popularity of the minimum wage principle. In the realm of wage determination at least, *laissez-faire* principles remained the conventional orthodoxy even amongst progressives.

The infant Labour Representation Committee did not challenge this consensus. In lieu of any serious interest displayed towards it by the Fabians, its wages policy reflected both the TUC and ILP's simple espousal of living wages, a rallying cry for higher wages to be won through recognition of trade unions and the promotion of free collective bargaining. Trade unions, much better representative of skilled workers, found the idea of state assistance to win them living wages both threatening and demeaning. Only after 1906 was the TUC coaxed into countenancing a legal minimum wage policy for their social inferiors, non-skilled, often-female workers unable to organise for themselves. The labour movement remained more concerned with securing an eight-hour day and 'Right to Work' guarantees from the government.

Nevertheless, the Australian colony of Victoria's 1896 Factory and Shops Act inspired the limited constituency of radicals in Britain who supported the principle of a minimum wage. By establishing wages boards for the purpose of fixing minima for six sweated trades in Melbourne, this measure thrust the statutory minimum wage to the status of a practical policy expedient.³⁸ The Women's Trade Union League was particularly interested in this realisable means of enforcing wages minima by a method that minimised the danger of unemployment and maximised the role of representatives of the trades subject to state intervention. Sir Charles Dilke, second husband of the WTUL's leader, Emilia Pattison, consulted with both Alfred Deakin, the Prime Minister of Victoria, and Beatrice Webb before introducing the first of

his annual Wages Boards Bills before parliament in 1900.³⁹ These Bills failed to win any support in the Commons until after 1906. However, well before wider opinion was then re-acquainted with the scandal of sweating, concerned pressure groups were already viewing its remedy in terms of a specific policy objective, legal minimum wage-fixing boards.

The following chapter will chart the rapid change of fortune enjoyed by supporters of the minimum wage principle from 1906, and examine the genesis of the British trade boards and the initial perceptions of their performance. Chapter Two will consider minimum wage policy initiatives beyond the confines of trade boards for sweated sectors, and consider whether a 'minimum wage for all' was in prospect by 1914. The importance of wartime wage regulation and its relevance to 'reconstruction' plans in 1917-1918 will form the main focus of Chapter Three. Chapter Four will analyse the vicissitudes of the expanded trade boards system during the inter-war period and demonstrate that, ultimately; trade unions, employers' organisations and government alike all endorsed them as a 'lowest common denominator' minimum wage policy. With this inference in mind, Chapter Five will consider the failure of more comprehensive 'national' minimum wage policies to make headway between 1918 and 1939.

List of references

¹ Coming into force on 1 Apr. 1999 at the rate of £3.60 per hour for workers aged 22 years and over. A lower rate of £3.00 applied to workers aged between 18 and 21 years. By Oct. 2001 the rates had been raised to £4.10 and £3.50 respectively.

² In the words of Vivien Hart, *Bound by our constitution. Women, workers and the minimum wage* (New Jersey, 1994), p. ix.

³ For instance, Bentley Gilbert and J.R. Hay both fail to give the Trade Boards Act more than scant attention. See *The evolution of National Insurance in Great Britain: the origins of the welfare state* (1966) & *The origins of the Liberal welfare reforms 1906-1914* (1975) respectively.

⁴ See *Towards industrial peace. Being a report of the proceedings of a conference organised by the League of Nations Union ... on systems of fixing minimum wages...* (1927), p. 19.

⁵ In 1909, trade union membership totalled 2½ million workers, only 60% of whom were affiliated to the Trades Union Congress. Even by 1939, only 6.3 million workers, about one-third of the workforce, were organised, the TUC claiming to represent 4.9 million of them. See Henry Pelling, *A history of trade unionism* (3rd edn, Harmondsworth, 1976), pp. 294-95.

⁶ The Final Report of the House of Lords Select Committee on the Sweating System, which sat between 1888-90, arrived at this definition. During its deliberations the Committee exonerated the subcontracting system and immigrant Jewish labour as principal causes of sweating. See E.P. Hennock, "Poverty and social theory in England: the experience of the eighteen-eighties", *Social History*, 1 (1976), pp. 84-86.

⁷ Duncan Bythell, *Sweated trades. Outwork in nineteenth-century Britain* (1978). See pp. 247 & 147-51 especially.

⁸ Jenny Morris, *Women workers and the sweated trades. The origins of minimum wage legislation* (Aldershot, 1986).

⁹ James Schmiechen, *Sweated industries and sweated labour. The London clothing trades 1860-1914* (Chicago, 1984).

¹⁰ Roger Davidson, *Whitehall and the labour problem in late-Victorian and Edwardian Britain. A study in official statistics and social control* (1985).

¹¹ Sheila Blackburn, "Ideology and social policy: the origins of the Trade Boards Act", *Historical Journal*, 34 (1991), p. 57. This article contains an excellent summary of the genesis of the 1909 Act.

¹² Sheila Blackburn, "The problem of riches: from trade boards to a national minimum wage", *Industrial Relations Journal*, 19 (1988), p. 127.

¹³ See "Ideology and social policy", pp. 58-62.

¹⁴ Sheila Blackburn, "A very moderate socialist indeed? R.H. Tawney and minimum wages", *Twentieth Century British History*, 10 (1999). Apparently overlooking Ernest Bevin's role in the formulation of wages council policies during WW2, on p. 135 she even implicates Tawney in the perpetuation of wages board policies in the post-1945 era!

¹⁵ In addition to her "Ideology and social policy" article, two others are worth consulting, namely: "'No necessary connection with homework': gender and sweated labour, 1840-1909", *Social History*, 22 (1997) & "Working class attitudes to social reform: Black Country chainmakers and anti-sweating legislation, 1880-1930", *International Review of Social History*, 33 (1988).

¹⁶ Of course, national employers' organisations did not spring up until during WW1. For an analysis of the establishment of the Federation of British Industries and the National Confederation of Employers Organisations, see John Turner, "The politics of 'organised business' in the First World War", in John Turner (ed.), *Businessmen and politics. Studies of business activity in British politics, 1900-1945* (1984), Ch. 3. Likewise, it was not until after 1918 that the TUC enjoyed real influence over its affiliated membership and respect within Whitehall. See Robert Taylor, *The TUC. From the General Strike to new unionism* (2000), pp. 2-8.

¹⁷ See *Bound by our constitution*, p. 61.

¹⁸ F.J. Bayliss, *British wages councils* (Oxford, 1962).

¹⁹ *Bound by our constitution*, p. x.

²⁰ James Gillespie, "State regulation and industrial organisation. The London workshop trades, 1911-1960", Ch.13 in N. Whiteside & R. Salais, *Governance, industry and labour markets in Britain and France. The modernising state in the mid-twentieth century* (1998).

²¹ David Vincent, *Poor Citizens. The state and the poor in twentieth century Britain* (1991), p. 54.

²² See "The failure of consensus in Britain: the National Industrial Conference, 1919-1921", *Historical Journal*, 21 (1978) & "The erosion of state intervention in Britain, 1917-1924", *Economic History Review*, 31 (1978).

²³ Adrian Vinson, "The Edwardians and poverty: towards a national minimum wage?", in Donald Read (ed.), *Edwardian England* (1982), p. 90.

²⁴ John MacNicol, *The movement for family allowances, 1918-45: a study in social policy development* (1980), pp. x & 216.

²⁵ For a brief résumé of these episodes, see E.P. Hennock, "Poverty and social theory", pp. 67-68.

²⁶ Cited in Arthur J. Taylor, *Laissez-faire and state intervention in nineteenth century Britain* (1972), p. 20.

²⁷ For a recent re-evaluation of Booth's work, see David Englander & Rosemary O'Day (ed.), *Retrieved riches: social investigation in Britain 1840-1914* (Aldershot, 1995).

²⁸ Harold Spender's phrase. See his introduction to Philip Snowden's 1912 study of *The living wage*, pp. x-xi.

²⁹ See Michael Freedon (ed.), *Minutes of the Rainbow Circle 1894-1924* (1989), p. 28 (meeting 10, 6 Nov. 1895).

³⁰ J.A. Hobson, "The economy of high wages", *Contemporary Review*, 64 (1893), pp. 811-27.

³¹ Brassey's eponymous son published these findings, see *Work and wages* (1872), especially Ch. 3, "Cost of labour cannot be determined by the rate of wages", pp. 66-110.

³² Alan Lee, in "A study of the social and economic thought of J.A. Hobson" (University of London unpublished PhD thesis, 1970) traces the evolution of Hobson's underconsumption theory. Surprisingly, it contains little discussion of his sponsorship of minimum wage policies as a partial solution for his diagnosis.

³³ J.A. Hobson, "A living wage", *The Commonwealth*, 1 (1896), pp. 128-29, 165-67.

³⁴ S. & B. Webb, *Industrial Democracy* (2nd edn, 1902), pp. 766-84. Although Royden Harrison's long awaited first volume of *The life and times of Sidney and Beatrice Webb. 1858-1905: The formative years* (2000) contains an assessment of *Industrial Democracy* (on pp. 235-51) it devotes disappointingly small attention to this first call for a legal minimum wage.

³⁵ Which the Webbs considered 'industrial parasitism', 'a serious drain upon the vitality and productivity of the community as a whole.' See *Industrial Democracy*, pp. liii & 749-65.

³⁶ B.S. Rowntree, *Poverty. A study in town life* (1901). According to his intentionally strict poverty line measure, Rowntree found that a further 28% of working class households, 17% of the population, were below this subsistence level because some part of their income had been spent on items not essential for the purpose of bare physical survival. See J.H. Veit-Wilson, "Paradigms of poverty: a rehabilitation of B.S. Rowntree", in Englander & O'Day, *Retrieved riches*, pp. 201-37.

³⁷ H.V. Emy, *Liberals, radical and social politics, 1892-1914* (Cambridge, 1973), p. 130.

³⁸ Within a decade, the number of trades in Victoria covered by such boards had increased tenfold. The Webbs travelled to Australia to witness the experiment first-hand, and were generally impressed. See their introduction to the second edition of *Industrial democracy*, pp. xxxvi-xlii.

³⁹ See David Nicholls, *The lost Prime Minister. A Life of Sir Charles Dilke* (1995), p. 304. An up-and-coming radical social reformer and Liberal Imperialist in Gladstone's second administration, Dilke's ministerial career was ruined in 1885 by a notorious sex scandal.

CHAPTER ONE

‘AN EXPERIMENT AND A REVOLUTION’;

THE FIRST TRADE BOARDS – AN OVERVIEW

Charles Dilke’s Wages Boards Bill failed to secure a second reading in the Commons for the seventh-consecutive year in February 1906. Yet, just three years later, in the midst of the furore over Lloyd George’s ‘People’s Budget’, the Trade Boards Act sailed through parliament against minimal opposition. The remarkable speed by which parliament endorsed the groundbreaking principle, that the state should intervene in private sector wage determination, together with early assessments of the initial trade boards in action, will be charted in this chapter.

Two events occurring during 1906 were crucial to the emergence of the minimum wage as a practical policy proposition. Firstly, the new administration of Henry Campbell-Bannerman, containing many ministers influenced by the development of ‘New Liberal’ thinking since the 1890s, enjoyed a landslide election victory. Amongst the deluge of new MPs were notable social policy radicals such as Charles Masterman, Percy Alden and Leo Chiozza Money. In addition, thirty MPs took the whip of the self-proclaimed representative voice of the organised working class, the newly christened Labour Party. Whilst this dramatic change in the composition of the Commons by no means rendered legislative enactment of a minimum wage inevitable, the eviction of Balfour’s government and the infusion of

radical Liberals amongst the new intake was an essential pre-requisite to the realisation of such a policy.

In this favourable political context the mobilisation of public opinion against the evils of sweated labour commenced. The sensational 'Sweated Industries Exhibition', held at the Albert Hall during May and June 1906, led to the formation of the National Anti-Sweating League (NASL) a few months later. This pressure group succeeded in orchestrating the campaign against sweating behind a single legislative prescription, minimum wage-fixing boards. The NASL managed to persuade its broad coalition of supporters, including the Trades Union Congress, that a minimum wage policy, applied to a limited number of sweated trades on an experimental basis, represented merely a small extra step in the development of Factory and Sanitary legislation, rather than a huge psychological leap of faith contravening conventional principles of political economy. Such was the clamour for action against sweating generated by the NASL's campaign that by 1907 MPs were debating seriously the legitimacy of a minimum wage experiment. In response, the Home Secretary appointed a Select Committee to investigate the question. Its favourable report in July 1908 provided the springboard for legislation in 1909.

By illustrating the poor working conditions and very low pay¹ of female home-workers, the Sweated Industries Exhibition had a huge impact on well-to-do opinion. It even became a 'society event' after the Women's Trade Union League (WTUL) persuaded the Princess of Wales to attend. The exhibition was the brainchild of A.G. Gardiner, editor of the *Daily News*.² He

was impressed at the favourable publicity promoted by the homework exhibition held in Berlin in January 1906. With his proprietor's full support, he approached the WTUL with a plan to sponsor a bolder exhibition in London. With characteristic enthusiasm, Mary Macarthur, the WTUL's Secretary, seized this golden publicity opportunity.

Under the leadership of J.J. Mallon³ the NASL sustained the momentum created by the Albert hall exhibition by staging similar ventures over the next few years in provincial centres throughout the UK. The NASL's biggest coup was to secure the support of the trade union movement for its policy of wages boards for a limited number of sweated industries. Arthur Henderson was instrumental in this achievement. A firm supporter of the WTUL, he had been persuaded by Charles Dilke that a legal minimum wage for unorganised sectors would help counter the degrading effect of sweated labour on hard-won trade union standards.⁴

On first reflection it was seem odd that trade unions had to be persuaded of the merits of minimum wage protection for the lowest-paid workers in society. However, whilst trade unions were increasingly willing for the state to undertake responsibility for the 'Right to Work' and limitation of the length of the working day, they remained very wary of state interference in wage rate determination. This was viewed as an unwelcome encroachment upon their exclusive sphere of jurisdiction. During the TUC Congress of 1909, David Shackleton claimed union paternity of the Trade Boards Act: 'The subject of the proper treatment of the evils of sweating has often occupied the consideration of Congress, and it is gratifying to know that the government Bill contains within it methods which we from time to time

advocated.’⁵ However, this was a spurious adoption claim. The TUC made no plea for minimum wage legislation in 1906. Only from 1907, after pressure from Arthur Henderson and Mary Macarthur, in her capacity as head of the National Federation of Women Workers, did Congress nod through resolutions in support of the Sweated Industries Bill. Jenny Morris is right to suspect that ‘left to themselves the trade union movement would have failed to mount a major campaign for legislation on low wages.’⁶

The simplest explanation for this indifference can be gleaned from the outburst of a boilermakers’ union delegate, D.C. Cummings, at the 1907 Congress. He stated that the TUC’s ‘business was to carry out the behests of those who had sent them there.’⁷ Sweated workers had not the means to organise, and hence were left largely untouched by trade union coverage. Many trade unionists felt that they had enough injustices to fight defending their sectional interests, let alone undertaking campaigns to correct all the evils in society. After all, during this period, individual trade unionists could still face victimisation from employers and the Taff Vale and other adverse legal judgements rankled with organised labour. As workers faced an uphill struggle to maintain the real value of wage-rates in the Edwardian period, because of price-inflation, organised labour were hardly in the mood to endorse the Webbs’ view that ‘the pressing need ... is not any increase in the money wages of the better paid and stronger sections of the wage earners, but a levelling-up of the oppressed classes who fall below the poverty line.’⁸

After extensive analysis of the Australian ‘Special [wages] Boards’, Ernest Aves endorsed Margaret MacDonald’s view that they weakened the position of trade unions. Although Aves found that the establishment of

Special Boards in a trade tended to provide a modest stimulus to organisation, and that unions had a useful role to fulfil in the effective operation and monitoring of the system, he feared that the existence of statutory minimum wage-fixing boards would reduce the incentive for trade union formation and development.⁹ However, although this conviction foretold the arguments of trade union opponents of trade boards in the 1920s, it was not seized upon by organised labour in 1908-1909. Two factors probably accounted for this. Firstly, a majority of trade unionists took little interest in the finer points of the wages boards debate. Secondly, the minority of trade unionists wholeheartedly subscribing to the NASL's campaign recognised that the sectors for which wages boards were earmarked were anyhow characterised by low, or non-existent, levels of voluntary organisation. In other words, the NASL's proposal involved merely 'compulsory collective bargaining being applied to trades in which collective bargaining had not arisen spontaneously or was ineffective.'¹⁰

The proud masculine mind-set of trade unionists militated against their viewing with enthusiasm legislative assistance to workers to secure higher wages. They considered that, if allowed by the state to operate on an even keel, 'organised labour ... was fairly well able to look after itself.'¹¹ Such was the adherence by trade unions to the principle of free collective bargaining that William Appleton, a lace-making trade unionist, could not bring himself to countenance wages boards on anything other than a voluntary basis.¹² Only the weaker unions at Congress were attracted to the notion of government-underwritten minimum wage guarantees. Organised labour felt that male 'breadwinners' should earn a living wage sufficient to support their

dependants, thus freeing their wives from the necessity of entering the labour market. Therein lay the skill of the NASL in identifying the sweated worker for whom protection was needed almost exclusively with the plight of *female home-workers*.¹³

Whether the TUC supported the NASL's policy primarily from enlightened or darker motives is difficult to assess. Certainly, if the opponents of a statutory minimum wage policy were proved correct and home-workers were displaced, at least they would no longer threaten male wage-rates and employment by undercutting! However, it is more likely that a synthesis of pity for the most downtrodden of workers and a recognition that female home-workers enjoying the protection of a legal minimum wage were not a threat to male trade unionists' 'independence' won them over to the cause of the NASL. Of the woman worker, Nathan Buckner, a tailoring trade unionist, sympathised patronisingly, 'it is impossible to expect her to organise and stand up as a man. She may lose work, and she has to remember her children.'¹⁴ Arthur Henderson and George Barnes were adamant that wages boards for sweated industries would not be the 'thin end of the wedge' for general wage regulation.¹⁵

The sensitivities of organised labour influenced the decision of the form of legislative action against sweating to be adopted. For instance, the trade unions' strong prejudice against compulsory arbitration precluded the adoption in Britain of the New Zealand system of state arbitrated wage-rate determination.¹⁶ Anti-sweating campaigners were thus left to weigh up the relative merits of wages boards compared with various schemes for the licensing of homework, based on the legislation of several American States.

Under such schemes, homework was only legal if the worker held a licence permitting her to work at a specified address.

Of course, a licensing scheme would not have made any direct impact upon the wages received for homework, but supporters of such a policy argued that by restricting the supply of labour via a licence, its price to employers would rise. More generally, Margaret MacDonald argued that, 'if you introduce improvements in one direction you really improve matters all round. Get the work done under sanitary conditions, and it is [a] step towards raising the self-respect of the workers ... with self-respect will come a demand for better wages.'¹⁷ However, a majority of anti-sweating campaigners wanted a more direct remedy for raising wages: 'I do not see that it [licensing] would do us any good at all; it is only for the benefit of the people who buy the articles in the way of preventing infection, but the worker would get no benefit, and it would not alter our condition at all.'¹⁸ For some, support for wages boards was a recognition that 'some factories do not pay any better inside than out.'¹⁹ It is interesting that the Trade Boards Act applied to both indoor and outdoor work, despite neither the NASL nor the Select Committee having recommended this step.

Ramsay and Margaret MacDonald were thus isolated in their opposition to wages boards, both within the Labour Party and even within the Women's Industrial Council, which originally favoured a licensing scheme. This did not stop the MacDonalds fighting an increasingly bitter campaign against wages boards. Only a few individuals, such as Clara Collet, a Board of Trade official, sympathised with their arguments.²⁰ Collet believed that large proportions of home-workers were 'fairly comfortably situated married

women, who add to family income' and the distressing cases were often elderly people who should not have been still working.²¹ Margaret MacDonald believed that removing widows and wives of incapacitated 'breadwinners' from the rigours of labour market competition, and maintaining them via state benefits, was a more appropriate policy.

The MacDonalds feared that wages boards would fix rates at a level that would achieve little more than sweating raised to a slightly higher level. Of the sweated female worker, Ramsay asserted that 'she is not only easily frightened by threats of loss of work, but has no very high demands at best, so that the minimum which such boards will fix will not be above the economic margin of home work, nor allow a satisfactorily high standard of life.'²² In view of the lack of organisation amongst sweated workers, the Macdonalds also doubted whether the determinations of a wages board would ever be enforced adequately. 'How would the price lists of our existing Conciliation Boards be enforced if only a factory inspector and not a well-organised union were behind them?'²³

Margaret MacDonald lambasted the campaign for wages boards as a diversion from the crusade for socialism: 'I regret that ... our socialist friends should be helping ... to salve the consciences of the unconverted, and to assist Liberal pseudo-reformers to pose as real reformers, by pointing out this sidepath, which I hold to be a blind alley.'²⁴

In fact, the whole argument about the structure of legislation most appropriate to counter the problem of sweated homework was entwined with the debate over whether the abolition of homework itself was desirable.

George Shann, a leading figure within the NASL admitted openly to the Select Committee his desire to see homework diminished and driven into the factories.²⁵ Most socialists disapproved of the practice. The Webbs considered the

economic effect of homework is thus to undermine the Standard Rate, to destroy the Normal Day, and to abstract from the total remuneration of the operative, all the advantages of room, fire, light, and sanitary conveniences which would otherwise be provided by the employer. Nor are these insidious effects confined merely to the outworkers. The operatives employed on similar tasks on the employer's premises have to submit to reductions of wages and extensions of hours, under the threat of the diversion of more and more of the business of their out-working competitors. Homework, in fact, makes all Trade Unionism impossible.²⁶

The Social Democratic Federation²⁷ and even some mainstream Labour Party figures shared this stance. During the debate on the second reading of the Trade Boards Bill, Tom Richards urged that any trade that could not pay its workers a decent wage should be killed off and transferred into the factory.²⁸ From an employers' perspective, D.S. Douglas, a cardboard box manufacturer, complained to the Select Committee that the 'person who simply wants to work outside the factory to have what they are pleased to call their "freedom", that is to loaf about half the week and work hard next half, is a person who ought to be put under proper discipline and to work under decent conditions in a factory.'²⁹

It is thus not surprising that some feminists suspected the motives of wages board advocates. Helen Fraser asked a conference organised by the Scottish Council for Women's Trades in 1907 whether it was right that they approved of 'restrictive legislation with regard to women, while women had politically no power at all. They were going to decide, in a well-meaning way no doubt, that these women were to be protected, and yet they know perfectly well that no woman was allowed ^{to} voice her opinion politically.'³⁰ This was the only substantial point made by feminists during the debate over wages boards. The concurrent campaign for female suffrage seized their attention, even though the overwhelming majority of sweated home-workers were female.

Against the blatantly expressed prejudices of some reformers, it is not surprising that opponents sprang up to argue that however awful conditions of home work may have been, the state had no right to deprive sweated workers of their right to earn a meagre pittance. The National Home Workers League claimed to represent some 3,000 homeworkers nation-wide. Miss Vynne and Edith Lawson from this rather dubious organisation appeared before the Select Committee. The latter summed up their philosophy as follows: 'We do not like legislation. It is not elastic, and often does more harm than good.'³¹ Miss Vynne complained that, 'any legislation, any agitation, any worrying about home-work makes the masters stop giving it out. A Sweated Industries Exhibition in a town instantly means that two or three manufacturers stop giving out work, and the people suffer'.³²

This pressure group evidently exploited the fear of sweated workers that any change would result in conditions becoming even worse for them. In an unsuccessful attempt to imitate the effect Mary Macarthur's testimony had

upon the Select Committee, Vynne and Lawson likewise produced seven homeworkers. However, their testimonies exposed the League's antics as a tragic farce. In stark contrast to Macarthur's seven workers, Lawson's were all inarticulate, and were confused into thinking that a minimum wage would result in a uniform wage, regardless of skill and efficiency.³³ It would not have taken much effort on the part of the League to explain dispassionately that the proposal intended to fix minimum *rates* of wages. Miss Lawson admitted that her officials made no attempt to explain the contents of the Sweated Industries Bill, which they simply read out to a no-doubt bewildered homeworker!³⁴ In the event, the Committee seemed unimpressed by the desire of the National Home Workers League to keep their 'membership' in ignorance of the essential facts of the debate.

The argument about whether legislation would diminish homework took place because of the conventional assumption that if wages rose, less demand for labour would ensue. In fact, Ernest Aves found that where Special Boards had raised wages in Victoria, overall costs of production had not followed suit.³⁵ Fabians explained that higher wages could often act as a spur to greater efficiency, both on the part of the worker and with regard to management practices, i.e. a reorganisation of production processes. Although both Hobson and the Webbs acknowledged the possibility of some displacement of workers occurring, they maintained that any shrinkage in 'parasitic trades' would be more than compensated for by a re-distribution of capital and labour to more productive sectors.³⁶ Unemployment was frankly admitted as a risk, but downplayed as representing a short-term risk in the wider interests of all workers. In this regard, Dilke urged the Select

Committee not to exaggerate 'little difficulties'.³⁷ Most reformers accepted his view that the need to find a remedy for an acknowledged evil was so great that any individual hardship was a price worth paying to secure an overall benefit to the community as a whole. Helen Bosanquet's warning that the introduction of a minimum wage would be to the detriment of slower workers, because of pressure to 'speed up',³⁸ was for the present disregarded by enthusiasts for wages boards.

Momentum behind the campaign for wages boards began to gather pace in 1907. Although Dilke's Wages Boards Bill once again failed to secure a second reading, the Labour Party managed to secure a brief second reading for an identical Sweated Industries Bill. Apart from MacDonald, Labour MPs were united behind this proposal; Henderson finally faced him down over this issue at the 1908 Labour conference.³⁹ However, in an ironic twist of fate that betrayed the real priorities of the labour movement, the Sweated Industries Bill died through lack of parliamentary time because the Commons had held a long debate on the (Coal Mines) Eight Hours Bill.

Nevertheless, impressed by the favourable reaction to the Sweated Industries Bill, the Home Secretary, Herbert Gladstone, established the Select Committee on Home Work under Sir Thomas Whittaker⁴⁰ in June 1907. The success of the NASL in maximising support for its cause by linking the perception of sweating exclusively with female homeworkers can be judged from the title of the Committee. Five months earlier, Gladstone had appointed Ernest Aves⁴¹ to investigate the working of the Special Boards in Australia.

The Labour Party ranked the Sweated Industries Bill as a key priority in 1908. This year, however, the Bill was a cross-party proposal, enjoying a wide measure of support, with George Toulmin, Liberal MP for Bury, introducing the measure to an enthusiastic House of Commons.

The successful Liberal entrepreneur, Alfred Mond, endorsed Hobson's argument in favour of the 'economy of high wages' and stressed that even with higher wages and a shorter working day than the rest of Europe, Britain still enjoyed lower labour costs per ton of production than any other continental country. He recommended rigorous penalties for employers infringing the decisions of wages boards and cited the presence of robust organisation in healthy trades as a reason for his support for state assistance for workers outside the remit of trade unions.⁴²

On the Unionist benches James Craig and Frederick Banbury opposed the proposals on individualist grounds. However, Banbury's hysterical protests about 'socialistic measures' enjoyed surprisingly little support from his own colleagues. On the contrary, John Hills and Alfred Lyttleton adopted a very supportive attitude. After all, 'social imperialist' motivations allowed even Conservative politicians to sponsor collective social welfare policies to promote the 'physical efficiency' of 'future defenders of the Empire'. However, this support was tempered by their stressing the importance of limiting the experiment of any statutory regulation of wages to a restricted number of trades, at least before any general expansion of the principle could be considered. Pike Pease and E.A. Goulding, Conservative MPs for Darlington and Worcester, respectively, both justified their support for the bill on compassionate grounds. Pease wondered 'Why on earth should they allow

people to go on working at starvation wages?’⁴³ Goulding placed emphasis on the number of women who would benefit from the proposed measure. Utilising social imperialist arguments, he worried that sweated homeworkers ‘had to work such long hours that, as a natural consequence, these unfortunate women had to neglect their natural duties as mothers and housewives’.⁴⁴ Banbury could not ignore the lack of sympathy on his own side for his obstructive attitude and withdrew a hostile amendment he had tabled to impede the Bill. Indeed, it was symptomatic of the mood of the debate that the only occasion when party-political tension was roused was when Goulding complained that no Tory MP was to be found amongst the sponsors of the Bill!

If this reaction in parliament was music to the ears of the NASL, the publication of Ernest Aves’ Report in July 1908 was a setback in the campaign for a minimum wage in Britain. Aves appreciated the simplicity and low administrative costs of the Victorian Special Boards, and recognised the advantages of minimum rates being fixed by representatives of the trade affected. However, whilst he acknowledged their popularity locally and credited their role in the establishment of a floor to wages, common standards and beneficial customs in trades, he was not convinced that wages boards could be applied in Britain. Generally, he saw wages boards as insufficiently elastic to adapt to changed market conditions. He also considered that they brought suffering upon the less efficient workers and encouraged the substitution of juvenile labour for full-priced adult workers. In spite of the fact that Special Boards had been a success in Victoria, he considered that this colony enjoyed especially favourable conditions that would not apply to

Britain. Victoria benefited both from geographical isolation and import tariffs. This 'double' protection could thus better insulate their economy from any ill-effects resulting from the fixing of a 'reckless' minimum wage. By contrast, Britain was a free trade nation located in close proximity to its continental economic rivals. Britain's female labour market suffered from a glut of home-workers that served to lower its value; Victoria had less than 2,000 homeworkers and was desperately short of female labour. Its tiny population in comparison with Britain's also acted as an insurance against widespread collusion and evasion of legal minimum rates.

Rather limply, Aves concluded that any wages boards established in Britain should be voluntary, relying on publicity rather than sanction to 'enforce' their decisions.⁴⁵ However, there was much to encourage wages board enthusiasts amongst the evidence contained in the Aves Report. Aves found that wages had risen by 16.5 per cent. in board trades since 1896, but by only 11.6 per cent in non-board trades. Popular opinion in Victoria believed that the boards had been successful in ameliorating sweating and Aves acknowledged that general conditions of employment had improved under the influence of the Boards.

Of particular relevance to British reformers was the experience of the Victorian Special Boards in the clothing sector. As in Britain, this was predominantly a female trade, and Aves singled-out the Clothing Boards as being especially successful in securing an improvement in wages and conditions.⁴⁶ More generally, Aves had found no proof of pressure to 'speed up', though less efficient workers did receive fewer offers of work, and higher wages did indeed prove to be a spur to more efficient reorganisation within

firms. Rather than costs of production rising with the increased wages bill, in the clothing sector, there was even evidence of a fall in such costs.⁴⁷

This last point of Aves was very important as it provided an answer to the argument of some tariff reformers that wages boards would be a useless expedient in a free trade country. J.G. Newey, a hook and eye manufacturer from Birmingham, told the Select Committee that wages boards would be of 'no use under our present system; they will become inoperative.'⁴⁸ Protectionists raised the spectre of foreign competition in home and overseas markets if the prices of British manufactures were increased and worried that foreign sweated labour would replace home sweated labour if wages boards priced workers out of their jobs.⁴⁹ But their arguments rested solely on the assumption that any rise in wage rates produced a rise in the price of the finished product. In addition to pointing out that this need not happen, supporters of wages boards often drew attention to the persistence of sweating in protectionist Berlin, Paris and Philadelphia, and the emergence of campaigns there for legislation to correct it.⁵⁰ At any rate, Whittaker's Committee suggested that, in view of low-paid labour competition from parts of Europe and the Far East, Britain would have to compete by the principles of the economy of high wages; 'competition must be met by increased efficiency, not by low wages.'⁵¹

The Select Committee on Home Work took evidence from a wide range of witnesses during its sittings in 1907 and 1908. They included employers, trade unionists, charity workers, factory inspectors and other government officials. Even the voices of sweated workers themselves were

heard, albeit thanks to careful selection by both Mary Macarthur and the National Home Workers League. Macarthur clearly had a great impact upon the Committee, as did the failure of existing legislative remedies, such as Factory Act regulations, to impact upon the sweating problem. However, the testimony of George Askwith, the Board of Trade's Arbitrator and Conciliator in industrial disputes, that 'Wages Boards are workable and practicable, and would be beneficial, and ought to be tried'⁵² helped swing the Committee round to a *unanimous* recommendation that the wages boards experiment should be tried.

The Committee was not disheartened by the attitude of employers appearing before them. Whilst many remained opposed to the establishment of wages boards, most of them were induced under questioning to admit some benefits of such a scheme. Thus although their recommendations went much further than the employer witnesses would have been comfortable with, the MPs could justifiably claim to have framed their stance as a result of careful sifting of their evidence.

Of course, the employers willing to be quizzed by the Committee were the 'better' class who would have less to fear from legislation than 'sweaters'. Even D.S. Douglas, no enthusiast for wages boards, admitted that, 'if you can fix a uniform scale of wages, it would be a very good thing for the employers: it would stop a rare lot of cutting among ourselves. I should like a strong union in our trade I can assure you.'⁵³ Although William Bridgett was careful to stress that he held more advanced views on the matter than his Chamber of Commerce colleagues, he supported statutory wages boards. The persistent refusal of a minority of his lace-manufacturing rivals in Nottingham to obey

the voluntarily agreed minimum tariff of piece-rates induced him to adopt this stance.⁵⁴ Introducing the Trade Boards Bill, Churchill was careful to stress that a key principle behind it was 'to protect the good employers ... who are anxious to pay a proper rate of wages from being undercut, and to protect them by compulsory powers.'⁵⁵

Some employers disguised their opposition to the wages boards principle by stressing practical difficulties likely to arise from their operation.⁵⁶ Several employers shared box-makers Charles Watts' and D.J. Douglas' fear that 'employers on the Boards would have an undue advantage over their competitors who would have to submit original designs for their inspection.'⁵⁷ Others stressed the impracticality of fixing separate piece-rates for the hundreds of subtly different designs, which *could* make a much greater difference in the time and effort required producing the product. Dilke countered that this multitude of designs could be slimmed down to a few basic categories for the purpose of fixing piece-rates. Using Askwith's arguments, he argued that the coal trade had managed to fix complicated schedules for many different grades of work.⁵⁸ The stance of Alfred Smith, a clothing employer, that no employer would pay a worker, however skilled, a rate above the minimum fixed was disbelieved and openly challenged by Committee members.⁵⁹

The attitude of employers appearing before the committee was aptly summarised by Dilke who asserted that most employers shared a 'not very violent, but rather general opposition to all new laws.'⁶⁰ And as Aves observed in Victoria, if a minimum wage must be fixed for their trade, employers considered it better that it be done by wages boards where they

would enjoy direct representation, than by an Arbitration Court. Ultimately, George Askwith, who was well acquainted with the mind-set of employers, did not believe the employers, as a whole, would stand in the way of a minimum wage. If they could be brought out of the narrow limits of their shops they would themselves fight the sweating employer and prevent the middlemen getting an undue share of the profits. The establishment of a Wages Board would not in any way injure trade, nor was the fixing of a minimum wage such a terrible thing as many appeared to think. He had himself fixed scores and scores of minimum wages in all parts of the country, he believed with excellent results.⁶¹

In the autumn of 1908, Ramsay MacDonald observed waspishly, 'As was expected, the Committee has reported in favour of Wages Boards. Most of its active members were committed to that proposal before any evidence was taken'.⁶² Although this statement was broadly correct, this unanimous recommendation by the cross-party Select Committee gave a huge boost to the momentum for legislation.

After careful deliberations, these MPs decided that the payment of wages inadequate for subsistence still existed on too extensive a scale for parliament to ignore the fact and that existing remedies had failed to solve the problem. They also recognised the very dim prospects that sweated workers could ever combine together to demand for themselves better conditions. They thus decided that legislation directly concerning rates of payment was necessary. Accepting the argument long-articulated by the Webbs, the

Committee were 'of opinion that it is quite as legitimate to establish by legislation a minimum standard of remuneration as it is to establish such a standard of sanitation, cleanliness, ventilation, air space, and hours of work.'⁶³ At the very least, argued Whittaker, boards could level-up wages to the standard paid by the best employers in a trade.

The Chairman of the Home Work Committee viewed his recommendations as representing a 'third way' between the opposing extremes of tariff reformers and socialists:

who have convinced themselves that what our country needs is a revolutionary change in our commercial system on the one hand and in the economic laws of the social fabric on the other, and who, consequently ... exaggerate anything and everything that will lend itself to the suggestion that the social and economic condition of the people is deplorably bad and is steadily getting worse.⁶⁴

Middle of the road Liberal opinion was happy to support a proposal, which although marking a new departure in the role of the state, seemed less of a threat to the existing order than the calls for protection of industry or the 'implementation of socialism'.

In order not to stray too far in advance of mainstream progressive opinion, and as an insurance against the risks involved with such a new departure, the Committee proposed wages boards for just three trades on an experimental basis.⁶⁵ They did not propose to extend the coverage of boards into factory trades, and time-rates were to be used as a standard instead of piece-rates. The Committee also rejected an attempt by Chiozza Money to link wages boards with a co-ordinated assault on wider causes of poverty by

means of policies to reform the Poor Law, old age pensions and invalidity pensions, technical education for children and action to find work for the unemployed.⁶⁶ Wages boards were to be applied on a strictly 'limited application' basis in order not to alienate both sympathisers with the plight of the sweated on the Right and trade unions committed to the principle of extending voluntary collective bargaining across industry.

Of course, a unanimous report from a group of MPs in favour of a wages board experiment, and the general sympathy it won from their peers, did not mean that the principle of statutory wage interference was not strongly opposed in some quarters. Those holding such views would complain that the 'House of Commons is always dangerous when it is unanimous'!⁶⁷

There were still plenty of *laissez-faire* libertarians who believed that statutory minimum wages offended against 'immutable economic law'.⁶⁸ The Vice President of the London Chamber of Commerce, Guy Morrish, defiantly informed the Select Committee that he was opposed 'to the principle of any interference between labour and capital.'⁶⁹ Unsurprisingly, the Liberty and Property Defence League, which was similarly averse to state interference, opposed the idea of a minimum wage both intrinsically and on the grounds that improved conditions in newly-regulated trades would cause displacement and an influx of labour into the still unregulated trades, thus intensifying sweating.⁷⁰ From the opposite end of the political spectrum, Ramsay MacDonald also subscribed to this foreboding.⁷¹

In parliament, doctrinaire believers in *laissez-faire* had become a rare breed on the Liberal benches. Only Harold Cox, a bitter critic of the

Government's social policies, spoke out against wages boards. On the opposition side, the dwindling band of Unionist Free Traders defended these views. Lord Hugh Cecil shared with the Liberty and Property Defence League and *The Spectator* the misgiving that legal minimum wages represented an oppressive degree of state control which could 'not logically stop until they had substituted the State for the individual in all things.'⁷² They argued that 'interference between an employer and homeworker ... is not free trade, while measures for securing reasonable terms for the worker are just as clearly protective.'⁷³ This was a moot point, but the principled opposition of *laissez-faire* libertarians to state intervention generally devalued their arguments against wages boards in the minds of the NASL's supporters.

In order to put pressure on the Government to sponsor a wages boards bill in the 1909 Session, the National Anti-Sweating League marshalled a 'who's who' of influential public figures to present a deputation to the Prime Minister on 14 December 1908. Headed by the Archbishop of Canterbury, the delegation included several more bishops, the Chief Rabbi, Conservative Lords Milner and Dunraven, a broad representative section of Parliamentary opinion, female trade unionists and even the wife of the Home Secretary.⁷⁴ Asquith assured the deputation that he was 'one of those who feel very little alarm, from a speculative or practical point of view, in the fixing of a minimum wage.'⁷⁵ Not to be outdone, Lord Milner announced publicly that wages boards would form part of the social policy of a future Tory administration. Whitehall took its cue and prepared its Trade Boards Bill. In January 1909 responsibility for trade boards was transferred from the Home

Office to the Board of Trade; the former department regarding their establishment as akin to a development of Boards of Arbitration rather than an extension of the Factory Acts. At the same time, H.J. Tennant, was appointed Minister of State at the Board of Trade under Churchill.⁷⁶

Hubert Llewellyn Smith, Permanent Secretary at the Board of Trade, viewed trade boards as a useful surrogate to collective bargaining in those trades where organisation of workers and employers had hitherto proved impossible.⁷⁷ However, he was keen to limit this innovation to a select group of trades. Churchill's Cabinet Memorandum of 12 March 1909 stressed that,

These methods of regulating wages by law are only defensible as exceptional measures to deal with diseased and parasitic trades. A gulf must be fixed between trades subject to such control and ordinary economic industry. A clear definition of sweated trades must comprise (a) wages *exceptionally* low, and (b) conditions prejudicial to physical and social welfare. Every further extension of the Act to trades not in the Schedule must obtain Parliamentary sanction. Thus there is no danger of such principles being unwittingly accepted as the normal basis of industry.⁷⁸

This was sound practical politics, as parliament was ready only for limited encroachments of the 'free' wages contract.

The government-sponsored Trade Boards Bill was introduced to the Commons for the first time just two days before the second-reading debate of the cross-party Sweated Industries Bill in March 1909.⁷⁹ Like its rival measure, it proposed to establish wages boards for the tailoring, lace-finishing, and blouse-making trades, but the (paper and cardboard) box making trade

was also included in the schedule. Not surprisingly, the Commons' debate mirrored that of the previous year's Sweated Industries Bill. Churchill enthused to his wife, 'The Trade Boards Bill has been beautifully received & it will be passed without a division. A. Balfour & Alfred Lyttleton were most friendly to it, & all opposition has faded away.'⁸⁰

Emphasising the gender question in his support for the Bill, Lyttleton, from the Conservative front bench, appealed to the 'chivalrous instincts of the House' to help remedy the condition of 'poor women and girls'.⁸¹ With Balfour, he ensured the swift withdrawal of a 'blocking' tariff reform amendment, even though he saw the measure as a second-best option to Protection.

In fact, trade boards could offer hope to tariff reformers. This was not simply because, as Unionist Free Traders claimed, minimum wage regulation contravened the 'free' labour market element of free trade. Trade boards could conceivably evolve into mechanisms for deciding tariff levels on an industry-by-industry basis, or at least highlight the need for them.⁸² Additionally, the Free Traders' jibe at the 'dear loaf' tariff policy could be muted if trade boards were raising domestic wage levels. Alternatively, believing that sweating was part and parcel of a free trade regime and that any attempt to solve it short of Protection was futile, tariff reformers could welcome the minimum wage experiment on the grounds that its failure would strengthen their arguments!

Balfour was not prepared to allow his party to be seen to scupper a bi-partisan measure designed for the benefit of poor female workers and enjoying wide-support amongst the chattering classes outside parliament. Frederick

Banbury was left to fume on the sidelines, 'I believe this is one of the most dangerous Bills that have ever been introduced into the Commons ... I regret very much the attitude which my party has taken up upon it.'⁸³ Viscount Castlereagh best summed up the mood of those MPs who were not overly keen on the Bill. Despite disliking the principle that the state should intervene in wage-rate determination, he declined to oppose the Bill: 'With regard to the evils of sweating, they are of so terrible a character that it ill becomes anyone to oppose legislation even though not completely convinced of its success.'⁸⁴

Despite the contention of H.J. Tennant that the Trade Boards Bill was 'at once an experiment and a revolution - a new step in the social progress',⁸⁵ the fact that it was also a modest measure, rather than a 'complete surrender to the Socialist Party',⁸⁶ accounted for the general goodwill towards it from all sides of the House of Commons. Both Conservative and Liberal speakers emphasised their support for the limited, experimental aspect of the Bill. Alfred Lyttleton qualified his strong support for the Bill with a request for the opportunities for the *easy* expansion of trade boards to industries other than those scheduled to be tightened up. This point was echoed by other MPs, chiefly Conservatives, unhappy with the initial proposition that trade boards could be extended to further trades by a 'Ministerial Order' operational after it had lain unchallenged on the table of the House of Commons for thirty days. In theory, this could have facilitated a very wide expansion of the principle of minimum wages, but as mentioned above, the Board of Trade had already emphatically rejected this strategy.

However, Churchill's desire 'to preserve a general measure of agreement for a Bill which is more a House of Commons Bill than a Bill of the

Government',⁸⁷ led him agree with Conservatives an alternative means of providing for the future extension of trade boards.⁸⁸ The far more restrictive 'Provisional Order' expedient was substituted. This procedure necessitated most of the stages of a full-scale bill before securing parliamentary approval. The Liberal and Conservative front benches thus ensured that any extension of the trade boards experiment would be a difficult and lengthy process, though by convention, Provisional Orders rarely even encountered a division. In his willingness to maximise the consensus in favour of the Trade Boards Bill, Churchill infuriated Labour MPs. However, in view of the labour movement's wariness of any extension of the principle of state determined wages, it is possible that this represented mere pique at not being consulted over the change.⁸⁹

Although the extension of trade boards to new sectors was made a more remote prospect by the above change, the determination of the female chain-makers from Cradley Heath ensured that chain-making was incorporated into the schedule of the Act, in place of the blouse-making trade. In a very rare example of sweated workers evidently acting in a pro-active manner by combination, Sheila Blackburn has described the lobbying of Thomas Sitch, Secretary of their union, to convince sympathetic MPs that the trade was worthy of inclusion.⁹⁰

At a time of fierce 'Peers verses the People' controversy over the Budget, the House of Lords raised no objection to the Trade Boards Bill. Lord Salisbury, the official Conservative spokesman on the Bill in the Upper House, endorsed it on the grounds that it was experimental and 'because the ordinary trade remedy for these evils appears to be impracticable – I mean the

union of the workers.’⁹¹ Hence this minimum wage measure reached the statute book in October 1909 against remarkably little resistance.

Trade board enthusiasts had thus succeeded in inducing parliament to sponsor a groundbreaking statutory minimum wage experiment in 1909. Thereafter, the NASL needed to demonstrate that trade boards raised wages without endangering the economic viability of industry. As the sole legal minimum wage model that the state was prepared to countenance at this time, the credibility of the principle as a practical public policy expedient depended upon the performance of the trade boards.

Sheila Blackburn has thus observed wryly that, ‘in view of the trepidation with which the Trade Boards Act was finally placed on the statute book, it was perhaps inevitable that the benefits of the first boards would be greatly exaggerated by their supporters.’⁹² Certainly, key figures within the NASL, such as A.G. Gardiner and J.J. Mallon, were eager to claim that ‘remarkable success has attended the operation of the Act.’⁹³ Significantly however, officials at the Board of Trade appeared to concur with this positive assessment. Although they felt unable to give an ultimate verdict upon the performance of the boards, given the general prosperity of the 1910-1914 period, civil servants felt that ‘so far as we are able to judge at the present time the result is a success’. Furthermore, ‘both employers and employed have found that the Trade Boards have been extremely useful; and no injury has been done to the trade.’⁹⁴ Accordingly, trade boards were established for four new trades employing almost 200,000 workers in 1913 (see below).

R.H. Tawney embarked upon the most thorough assessment of the performance of trade boards. The chain trade was the first subject of his analysis,⁹⁵ both because of its concentration in a small district and it being the first board to fix minimum rates. Tawney was anxious to stress that he did not consider the chain trade as necessarily representative of industry as a whole. More significant was his subsequent study into the effects of a minimum wage in the tailoring industry. As a nation-wide trade, operating under a variety of different conditions, Tawney could claim justifiably that the 'establishment of minimum rates of payment by the Tailoring Trade Board may be regarded almost as an *experimentum crucis*.'⁹⁶ He went on to conclude that 'if minimum rates can be enforced in this particular industry without mischievous economic reactions (such as the creation of unemployment) ... they can ... be enforced in almost any other.'⁹⁷ Blackburn treats this favourable assessment with scepticism.⁹⁸ However, though Tawney was an enthusiastic supporter of the trade boards, his writings on them were not simply works of one-sided propaganda. He offered criticisms of their administration, and was mindful that trade boards had yet to be subject to the test of a trade depression. In the succeeding paragraphs, an analysis will be made of the effects of the trade boards in action.

The length of time it took for the initial trade boards to fix a minimum rate caused disquiet amongst commentators. The official history of the clothing workers' union considered the trade boards a 'cumbersome body' and was scathing that, 'for fourteen months nothing happened.'⁹⁹ Of course, much time was spent in the preliminary work of establishing the trade boards during

1910. Officials consulted with representatives of the trade regarding the precise scope of the boards, and the members to be chosen to sit on them.

However, the pace of progress was scarcely hastened once these preliminary tasks had been completed. Tawney considered

the suggestion sometimes made that the system is likely to result in ill-advised interference, in rashly thrusting an iron-rod into the mechanism of industry ... almost ludicrous. In practice, the Boards proceedings are characterised by a caution surpassing that of Government departments.¹⁰⁰

For example, only after the Tailoring Trade Board's eighth meeting, on 10-12 July 1912, nineteen months after its first, did it agree finally upon its minimum time-rate for adult women; another month passed before it came into operation on 19 August. The rate did not have full legal force, 'Obligatory Order', until 20 February 1913, as for the first six months of 'limited operation' rates were a civil contract rather than a legal one.

Nevertheless, the different cost of living in different parts of the country and the differentiation in trade product complicated the job of the Tailoring and Box-making Boards and manufacturing processes, an issue that raised questions regarding the scope of the determinations. One advantage of the proceedings having been of a 'protracted character'¹⁰¹ though was that all sections of the trade were consulted before minimum rates were fixed. Unsurprisingly, the Chain and Lace-finishing Trade Boards, serving only Cradley Heath and Nottingham respectively, established their minimum rates well before the larger boards.

The structure of trade boards, while conducive to inclusive decision-making, did not promote brisk rate fixing. The need to refer provisional decisions of the full board to district trade committees, regional consultative boards constituted on the same principle as the national board, added several months to the deliberations of the Box-making and Tailoring Trade Boards. Time was also wasted by representatives of both sides being reluctant initially to propose rates which had a realistic prospect of securing consensus, or more realistically, the support of the 'appointed' (independent) members. In the words of a northern box manufacturer, 'much argument was wasted by both sides trying to achieve the impossible'.¹⁰²

However, once such ritual horse trading over rates had been dispensed with, trade boards could decide upon minimum rates fairly quickly. For instance, at only the second meeting of the Shirt-making Trade Board, on 29-30 April 1914, a compromise proposal by the workers' representatives for a 3½d. minimum female hourly time-rate won the support of the appointed members. Alas, this swift decision did not receive the full force of law until the following year. This case illustrated the importance of the appointed members, as they had become frustrated during the first meeting of the Shirt-making Trade Board at the disparity between the proposals of both sides.¹⁰³ Whatever their respective instincts, representatives of workers and employers were thus forced ultimately to propose rates which were likely to win the support of dispassionate members representing the wider community. Both sides grasped quickly that initiating a reasonable compromise paid dividends in terms of goodwill from the chairman.¹⁰⁴ By such behaviour in 1914, employers' representatives on the tailoring board insured themselves against a substantial

increase in female minimum rates when they readily consented to a $\frac{1}{4}d.$ hourly-increase, albeit on condition its delayed implementation, after workers' representatives proposed a rise in rates.¹⁰⁵

The task of arriving at a consensus on trade boards was sometimes hampered by tensions within the respective representative sides. Despite long-standing gender antagonism in many sectors of trade, prompted by male workers fearing that female presence in a trade depressed their wages, both male and female employees were represented on most boards; apart from one or two women, however, most worker representatives were male. Nevertheless, only when downward pressure was applied to minimum rates after 1920 did women clothing workers complain that trade boards were neglecting their interests in favour of the skilled male minority in the trade (see below, Chapter Four).

Conversely, the composition of employer representation on boards caused much early controversy. After losing their battle with the Board of Trade to have sub-contractors included as workers' representatives on the tailoring board, clothing employers insisted that they be protected from the threat that master tailors would combine with workers' representatives to outvote them by a system of 'side' voting. Hence, whenever a controversial issue arose on the board, employers claimed 'voting by sides', i.e. a majority vote amongst employers was counted as a unanimous 'block' vote. Tawney complained about the 'suppression of minorities' on this trade board.¹⁰⁶ Nonetheless, the suspicion of manufacturers that 'sub contracting employers were practically not employers seeing that many of them work at the same work as those whom they employ'¹⁰⁷ was borne out by their consistent

willingness to sponsor a higher minimum rate than factory employers could tolerate.¹⁰⁸

However, manufacturers from relatively highly paid northern districts also disappointed their southern and eastern brethren by their unwillingness to oppose minimum rates deemed too high by employers from these low-paying districts. The Leeds district of the clothing employers' organisation belatedly and only reluctantly agreed to fall in with other districts in opposing the 3½*d.* rate initially proposed by the Tailoring Trade Board. R. Bourke, a Leeds clothing manufacturer, professed himself bewildered at the clamour to oppose this modest minimum rate.¹⁰⁹ Similarly, Co-operative Wholesale Society employer representatives sometimes sympathised with the appeals of the workers' representatives.¹¹⁰ Box-making employers, on the other hand, seemed more concerned that workers' representatives should only be drawn from amongst those actively engaged in the trade,¹¹¹ a ruse no doubt designed to exclude articulate trade unionists or NASL officials from facing them during trade board deliberations!

We turn now to the question of the minimum rates actually fixed by the trade boards. Whilst the 1909 Act *permitted* trade boards to fix minimum piece-rates, it *obliged* them to fix minimum time-rates. Most workers during this period were, however, paid by piece-rate. Payment by time-rate was generally reserved for a small proportion of workers where piece-rate payment was found to be impractical, for example, where a worker was engaged in work which was constantly varied in character, or was primarily of a supervisory nature. Nevertheless, it was recognised that fixing piece-rates for

the vast array of different processes within a trade was too complicated a task for trade boards. A committee of the Tailoring Trade Board considered fixing general minimum piece-rates in 1913, but decided to 'postpone' the question!¹¹² Instead, an obligation was placed on an employer to demonstrate that the piece-rate he paid his employees would yield 'to the ordinary worker at least the same amount of money as the minimum time-rate.'¹¹³ Only in the district-level chain board did the fixing of an extensive range of minimum piece-rates eclipse the significance of the minimum time rate fixed.

Nonetheless, even supporters of trade boards were embarrassed at the low level of the minimum time rates for Chain-making. The minimum hourly time rate of 2½*d.* won a female chain-maker, working a full 54-hour week, only 11*s.* 3*d.* Tawney admitted that this rate was 'extremely low', but he asserted that as the chain trade had experienced a sharp downturn in 1908-1909, because of the state of the shipbuilding sector, its representatives were erring on the side of caution in plumping for such modest rates. Nevertheless, he regretted the repercussions this decision had for subsequent trade board determinations.¹¹⁴ Clearly, trade board minima did not represent a 'living wage', which Hobson had defined as representing a level sufficient for at least 'the maintenance of all wholesome and pleasant elements of customary consumption'.¹¹⁵ The rates fixed were perhaps more akin to the subsistence wage advocated by the Webbs. However, as the trade boards had to pay attention to 'what the trade could bear', even this supposition is of uncertain accuracy. J.J. Mallon conceded a 'weakness of the Trade Board method, which results in the fixing of a wage based neither upon the cost of living nor upon consideration of what the trade can bear, but upon a blend of both.'¹¹⁶

Unsurprisingly, there was frustration amongst trade unions at the modest rates fixed by the trade boards. Thomas Sitch, of the chain-makers' union, feared that employers were succeeding in using the boards 'as an instrument of legalising sweating instead of using it as a means to stamp out an evil that has blighted the district'.¹¹⁷ Disgusted that adult women clothing workers with four years experience had waited almost three years for a minimum hourly-rate of only 3¼d., W.E. Jansen, a member of the Tailoring Trade Board and an Amalgamated Union of Clothing Operatives (AUCO) delegate at the 1912 TUC, complained that trade boards were a handicap to the workers.¹¹⁸ Furthermore, as R. Bourke, the Leeds clothing manufacturer, reminded the Tailoring Trade Board, 'while a 3¼d rate would yield 13/6½ for a full week of 50 hours, it would only yield a rate averaging 11/11 per week for twelve months owing to the seasonal character of the trade.'¹¹⁹

Supporters of trade boards were thus faced with a difficult task in convincing organised labour of their beneficial effects. Nonetheless, Tawney pointed out that, though the rates of wages sanctioned by the boards were hardly generous, they did represent an advance on wage-rates paid prior to the establishment of trade boards. Moreover, in chain making, he could demonstrate that piece-rates had not merely remained stagnant in 1909 compared with two decades earlier, but they had actually fallen. He could therefore argue that, had 'the trade boards not intervened, the condition of the outworkers in 1914 would probably have been much what it was in 1876, 1888 and 1910.'¹²⁰ Likewise, the modest minimum hourly-rate for lace finishers of 2¾d. contrasted favourably with the evidence that such workers at the Sweated Industries Exhibition earned barely two-pence an hour.¹²¹

A chief factor in the consensus behind the Trade Boards Act was the conviction that the legislation was as much about improving the social condition of sweated women workers as for the statutory determination of wages. However, the trade boards felt little inclination to challenge the convention that female rates should remain at approximately half the level of male rates. Nevertheless, whilst the earnings of full-time female workers in the four scheduled trades were modest, at between 11s. 3d. and 13s. 6½d., it should be borne in mind that the 1906 census of wages revealed that *one-third* of women employed in factories and workshops earned less than ten shillings per week.¹²² Against this fact, the achievement of the trade boards appeared impressive. After all, it was entirely within the remit of the boards, with their concern for 'exceptionally low' rates of payment, merely to lift women's wage levels to the nation-wide average of ten to twelve shillings per week. Although this aim was less noble than attempting to raise wages to the level of a living wage, it must be remembered that this aspiration, when it was supported at all, was almost universally reserved for male 'breadwinners'.

Naturally, the lowest paid workers benefited most from the trade boards. The conditions of learners improved significantly in all four scheduled trades. Tawney demonstrated that piece-rates for the lowest two grades of chain making increased by 67 per cent. and 49 per cent. respectively.¹²³ Increases of a similar scale were reported amongst the lace-finishers. Although there was no general increase in earnings as a result of the determinations of the box-making and tailoring boards, workers in poorly-paid districts did enjoy such rises. Largely concentrated in southern England, 38 per cent. of female tailoring workers in Britain enjoyed a rise in their weekly

earnings.¹²⁴ Similarly, whilst most men engaged in tailoring already earned the six-pence hourly minimum rate, as evidenced by the low number of employer-objections to the rate, those in isolated districts such as Hebden Bridge and Swindon won advances in their earnings.¹²⁵

Trade unionists welcomed this evidence of wages being levelled-up to the better standard of trade. Nevertheless, they were more concerned that trade board minimum rates did not become a 'maximum' and massage down the wage-rates earned by organised, predominantly male, workers in the higher sections of the trades covered by the boards. At the foot of each official notification of a trade board minimum was the following clause: 'The above Minimum Time Rates are without prejudice to the workers who are earning higher rates of wages.' Although Tawney found that a minuscule proportion of tailoring firms had reduced piece-rates for higher grades of work, he concluded that there had 'been no general tendency for the minimum to become the maximum.'¹²⁶ However, one box-manufacturer did rejoice in his board's determination, calling it the

'Box Trade Arbitration Treaty', for it not only protects the worker against bad conditions and sweated wages, but it also SECURES THE EMPLOYER FROM TRADE DISPUTES AND STRIKES, and relieves him the responsibility of having to meet demands for increased wages single-handed. In future, all such difficulties will be referred to the Trade Board, and its award will have the force of law, and what is perhaps better, it will carry with it the united influence of the representatives of both sides.¹²⁷

Fortunately for trade unionists, trade board members had no desire to assume the role of an arbitrator of higher earnings in the trade, as envisaged for them by this employer. In fact, as organisation amongst workers became stronger in the scheduled trades, unions in some districts secured wage-agreements well in excess of statutory minimum levels (see below).

Another benefit of trade board determinations recognised by contemporaries was that 'no deductions from such rates are permissible'.¹²⁸ This principle was of no small importance to workers, for as late as 1912, complaints were still aired at the TUC regarding 'robbery' of employee earnings by means of unjust deductions from official wage-rates, by means of charges for such provisions as hot water, stools and thread.¹²⁹

Minimum wage rates fixed by the trade boards were deemed not to have been responsible for price rises. The years prior to 1914 were in any case characterised by sharp price inflation. Although Tawney acknowledged that the price of chain had risen substantially between 1909 and 1912, he pointed out that the quality of the product had also increased significantly since then, remembering also that prices would have been lower in 1909 because of the depression in trade. Conversely, Tawney concluded that there was 'no evidence that any appreciable rise in prices has been caused by the establishment of minimum rates of payment in the tailoring industry, though there has probably been some decline in the quality of clothing.'¹³⁰ Notwithstanding this last point, Tawney was convinced that the boards had, by setting 'general rules', raised the standard of the trades. He even predicted that the wild fluctuations in wage-rates and prices, which had proved so

destabilising to trade, would henceforth be checked by the existence of minimum rates, thus lessening the severity of any future depression.¹³¹

Many commentators feared that a minimum wage would lead to the displacement of slow and inefficient workers, which, by increasing unemployment, would accentuate the miserable plight of sweated workers. The fixing of a minimum wage, ostensibly to help the worst-paid, would be of little use if that rate was considered by employers to be too high to render the employment of slow, elderly and otherwise inefficient workers feasible. One trade publication jeered that the 'ship in danger of sinking is to be saved by throwing the women and children overboard!'¹³² Using a less delicate turn of phrase, a spokesman for laundry employers asserted that, 'No commercial man will pay a duffer more than she is worth, and if the Trade Board raise the wage all the duffers will have to go I do not know where.'¹³³ However, the Trade Boards Act provided for permits to be issued to employers authorising them to pay lower rates to such workers, usually elderly and disabled employees. Surprisingly, just 121 such certificates had been issued for all scheduled trades by May 1913.¹³⁴

Instead, the tailoring board decided to insure against the possibility of its inefficient workers losing work by devising the rule that piece-rates were considered to conform with its determinations as long as they provided just eighty per cent. of workers with the means to earn the minimum time rate. In other words, twenty per cent. of workers, if they were deemed less capable than 'ordinary' workers, could legally be paid below the statutory minimum rates! Trade unionists were naturally concerned at 'a practice which allows the

employer to get out of his liabilities after a rate has been fixed by the board.’¹³⁵ Workers’ representatives on the Tailoring Trade Board registered their conviction that all workers, except those certified as unfit to earn the minimum rate, should receive the minimum rates.¹³⁶ Tawney, acknowledged that in view of the ‘large number of elderly persons who are employed in some branches of the tailoring industry, the retention of the percentage rule as a safety-valve may be judicious.’ However, he hoped that in time ‘the percentage who at present may earn less than the minimum should be reduced.’¹³⁷ Not surprisingly in view of this rule and the general prosperity of trade in 1913-14, Tawney found hardly any evidence of displacement in the tailoring trade as a result of the minimum wage. Although he did find some evidence of dismissals in some East-Anglian firms, he claimed that after re-training, most of the workers soon regained work. Any displacement that did occur, Tawney argued, was very gradual, and took the form of employers taking a keener interest in which younger workers entered the trade.¹³⁸

In fact, trade boards were generally credited with fostering increased efficiency, thus confirming Hobson’s belief in the ‘economy of higher wages.’ Tawney, ever-mindful that ‘bad wages produce bad work is an experience as common as it is habitually disregarded’ noted that an increase in worker output coincided with a rise in wages.¹³⁹ However, Tawney admitted that productivity amongst workers did not increase solely due to the benevolent effects of higher earnings on their nutritional intake. He found evidence of ‘speeding-up’ in ill-managed tailoring firms, whereby undue pressure was placed on employees ‘to earn the minimum time-rate on piece-rates which will not produce it except at the cost of nervous overstrain.’¹⁴⁰

Efficiency improvements were also stimulated on the side of the firm. David Little, a prominent clothing manufacturer, believed that the establishment of legal minima in his industry had fostered a minimum standard of management.¹⁴¹ Firms were spurred on to find savings in their operating costs by investing in better machinery, re-organising their manufacturing processes on more efficient lines, and regularising output. This latter efficiency improvement resulted in a shorter working week, in some cases, as employers reduced the amount of time workers were kept waiting for work, to a minimum.¹⁴² Felix Maginn was confident that most firms could afford to pay any increased wage costs from efficiency-savings:

I greatly doubt if any employer has reached such perfection of arrangements in his factory that nothing remains to be saved. In any ordinary business keen organisation seems to be almost the last thing thought about. ... If the State interference in the matter of wages compels manufacturers to organise their businesses more perfectly, and to pay in wages what is now wasted in antiquated processes and in unscientific use of material and other ways, it may eventually prove a boon to them and the nation at large.¹⁴³

Only firms operating at the margin of trade found such a solution to a higher wage burden impossible. Very few members of the Edwardian polity mourned the demise of such concerns, given its tacit acceptance of the Webbs' view that 'parasitic' trades should be left to wither and die. Workers thereby losing their jobs would soon find new ones in more efficient and productive sectors, so the hypothesis went.

It was very important for enthusiasts of trade boards to convince trade unions that they had fostered organisation amongst the workers covered by their remit. This was especially pressing given that Ernest Aves had concluded in 1908 that special boards in Australia had weakened the motives for trade union formation and development. Fortunately for reformers, there was ample evidence of the spur given to employee organisation by the trade boards prior to 1914. No doubt aided by the prevalence of general prosperity and rising trade union membership, the mere passage of the Act seems to have produced a positive effect on recruitment: female membership of the Amalgamated Society of Tailors and Tailoresses doubled during the second half of 1909.¹⁴⁴ More spectacularly, the Amalgamated Union of Clothing Operatives, which enjoyed a more consistent reputation for welcoming female and semi-skilled recruits, increased its membership total from 2,500 in 1907, to 4,000 in 1911, and 12,000 in 1915.¹⁴⁵ The bulk of this increase occurred in the year after minimum rates became obligatory, before the outbreak of war. Mary Macarthur's National Federation of Women Workers (NFWW) was also able to recruit chain-makers on an impressive scale in Cradley Heath, though the bulk of this work was completed before the establishment of the board. However, during the war, the flight of such workers into better paid munitions work impacted upon the NFWW's membership totals for this sector.

At the very least, trade boards were shown *not* to have an adverse effect on trade union membership. Indeed, by enabling workers to afford subscriptions and raising their aspirations, trade boards were credited with aiding the unionisation of low-paid workers. In many districts, the AUCO was able to negotiate agreements with employers that established minimum wage-

rates for men and women at significantly higher levels than the statutory figures.¹⁴⁶ Thus, trade boards, though conceived as a substitute for collective bargaining, were succeeding in promoting the real thing, albeit on a localised scale. Consequently, NASL members were able to bury their disappointment that trade boards had failed to establish 'living' wage-rates. By providing an impetus to voluntary organisation, they reasoned that trade boards provided workers with an indirect means of securing a living wage: 'the Trade Boards method, while not ensuring at the outset a satisfactory wage, evokes the forces that eventually cannot fail to secure it.'¹⁴⁷ Likewise, Tawney insisted that trade unionism was an essential tool to workers covered by trade boards, securing for them higher rates than bare minima and helping to police the Act.¹⁴⁸

Nevertheless, although Tawney claimed that the effects of trade boards upon organisation offered hope and encouragement to workers in other trades, Mary Macarthur faced a fairly lonely task in accentuating the positive impact of the trade boards to a lukewarm audience at the TUC in 1912 and 1913. This may have been accounted for by organised labour's confidence that the government had no desire to encroach upon its collective bargaining role by establishing trade boards in unionised sectors. It was illustrative that the higher grades of work performed by heavily unionised men in the chain-making, tailoring and lace trades were deliberately excluded from the coverage of the initial trade boards. Similarly, when the Board of Trade proposed to extend trade boards to new trades in 1913, an official was anxious to stress that 'we only wish to include tin boxes and canisters which are made by women ...

For instance, we do not wish to include the heavy tin boxes which are made by members, say of the Tinsmith's Union.'¹⁴⁹

Trade boards provided a greater spur to employer mobilisation. For instance, prior to 1909, no organisation of clothing factory occupiers existed. However, a London clothing manufacturer considered that the Act provided the practical necessity for such an association. He also revealed a conviction that other employers in other sectors were only too willing to support the establishment of a tailoring trade board, as long as they remained unencumbered by such 'interference':

There were certain trades which had hoodwinked the Government over this very matter by saying that Trade Boards would be impossible in their trade, but that in the clothing trade Trade Boards would work. He thought it was time that they amalgamated to look after their own interests.¹⁵⁰

Larger employers wasted no time in preparing for state intervention in their trade. A powerful nation-wide Clothing Manufacturers Federation, though representing only a minority of the number of firms in the tailoring trade accounted for the bulk of its production, was functioning by the spring of 1910. An Employers (Trade Board) Joint Advisory Committee, encompassing representatives from all scheduled trades, was also established in October 1910. These employer organisations quickly established their effectiveness. Minutes of the clothing manufacturing organisations reveal very thorough preparation for trade board meetings,¹⁵¹ whilst their successful co-ordination of the lobbying campaign against the proposed female tailoring rate of 3½d. in

1911-12 was masterly. Thus in April 1913, when the Board of Trade indicated its intention of establishing a shirt-making trade board, the first response of the employers in the trade was not to oppose the proposal, on the contrary, they adopted a very sanguine attitude, but to organise themselves into a federation.¹⁵² In a relatively short time, most employers covered by trade boards acknowledged the benefits their operation brought to the trade. The fear of the Nottingham Chamber of Commerce in 1909 that the lace-finishing trade board would bring 'ruinous consequences to local industry'¹⁵³ was soon proved to have been unjustified; trade boards served employers well in practice.

Indeed, employers even found common ground with workers' representatives in pressing for uniform national minimum rates, to include Ireland,¹⁵⁴ and an extension of the scope of existing trade boards.¹⁵⁵ Of course, fear of other employers gaining an undue advantage by undercutting the rates of those who were forced to abide by trade board rates prompted this standpoint. Employers bound by trade board regulations considered that, if they were to be subject to such 'burdens', why should not other employers? Clothing manufacturers thus had little sympathy for their East Anglian rivals, and Tailoring Trade Board colleague, who lobbied for a reduced minimum rate to apply to their district.¹⁵⁶ Stronger employers, able to afford higher wages, had scant concern for their inefficient competitors struggling to operate on the margins of the trade.

Although employers in the scheduled trades were largely reconciled to their boards, certain deficiencies in the definition and administration of the Act

infuriated workers and employers alike. G.W. Brown, president of the Leeds clothing employers' organisation and member of the tailoring board, was scathing that his 'association has had to advise the Board of Trade to whom their Act applies'. Furthermore, he was frustrated that he had 'totally failed to get a definition from the Board of Trade of what is an "ordinary" worker.'¹⁵⁷

As mentioned above, trade unionists were frustrated by the 'absolute farce' of the working of the eighty per cent. piece-rate rule.¹⁵⁸ They were also aggravated by the six months of 'limited operation' which served as an interlude between minimum rates being fixed by a trade board and the Board of Trade intervening to give them full legal sanction. With so much deliberation before a trade board even fixed a rate, the justification for such a procedure was questionable. When the limited operation period of the chain board commenced in August 1910, the employers began a lockout of the women who refused to accept lower rates; the workers feared that employers were intending to stockpile chain as an insurance against the full operation of the minimum rate. However, their strike proved so successful that after two months, the employers were forced to concede the new rates as obligatory, four months before they legally-were. Blackburn has credited the chain-makers with ensuring 'by their struggle that the Trade Boards Act would be applied, not only to their trade, but to other industries, rather than remaining a dead letter.'¹⁵⁹

The trade boards experiment was indeed undermined by the opportunities for evasion of minimum rates, as the MacDonalds had predicted. Although it was assumed that as both employers and employees had a common interest in ensuring the observance of trade board determinations, instances of

evasion would be infrequent, this proved to be a forlorn hope. Miss Sydney Phelps, of the Home-workers Aid Association, provided anecdotal evidence of employers attempting to undercut minimum rates in the box-making trade.¹⁶⁰ With greater certainty, Tawney, using Trade Board Inspectorate figures, found that of 339 visits paid to employers in the six months to 31 March 1914, in only 128 cases was there no irregularity found.¹⁶¹ He feared that there was a 'real risk of the Trade Board's determination being evaded in certain localities and in certain sections of the trade.' A similarly high proportion of 'irregularities' was uncovered during the following year.¹⁶² Against this clear threat to the credibility of trade boards, the low number of inspectors employed to enforce their decisions was recognised as woefully inadequate by employers and workers.¹⁶³ By the summer of 1913 the enforcement of minimum rates for over 250,000 workers working in thousands of firms was the responsibility of an inspectorate numbering only seven persons. However, as prosecutions of persistently offending employers were undertaken by the Board of Trade, supporters of trade boards could claim legitimately that a strengthened inspectorate would reduce the general threat of evasion in factory trades.

Nevertheless, the problem of how to ensure that home-workers received the minimum rates due to them was an intractable one, as the Board of Trade recognised.¹⁶⁴ The failure of the larger boards to fix piece-rates was the crux of the problem. As they could not monitor the working pace of employees outside the factory employers considered time-rates an unacceptable benchmark for assessing whether home-workers were receiving adequate wages. Even so, Tawney's discovery that two-thirds of tailoring home-workers in Colchester and three-quarters of home-workers in London had not

received any advance in their piece-rates roughly one-year after minimum time rates became obligatory was of cause for concern.¹⁶⁵ Tawney found that some home-workers in the tailoring trade were unaware of the existence of the trade board in the autumn of 1913!¹⁶⁶ A demonstration, perhaps, both of how ignorant the poorest were of state efforts to raise their condition, and how little these efforts impinged upon their lives.¹⁶⁷

In spite of the prominence accorded to the plight of the sweated home-worker during the campaign for legislative intervention between 1906 and 1909, the proven success of trade boards was demonstrated in factory, rather than outdoor sectors of the nation-wide scheduled trades. Ernest Aves found this to be the experience in Australia too. Devotees of trade boards comforted themselves in the knowledge that outwork was continuing to diminish in scope. Margaret MacDonald's prediction that trade boards would place a premium on homework and thus revive the sector was inaccurate. Instead of succumbing to the temptation to give more work out so as to evade minimum rates, most employers, motivated to improve productivity, found that it was more advantageous to bring more work 'indoors'. This facilitated easier monitoring of the quality and standardisation of product as well as providing employers with greater assurance that work would be completed on time. The Board of Trade was probably embarrassed and exasperated at their failure to solve the homework problem. They would have concurred with Tawney's hypothesis that as long as the reduction in homework was gradual, and not causing unemployment, it was a trend to be welcomed.¹⁶⁸ In fact, during the three decades following the passage of the Trade Boards Act, homework continued its steady but inexorable decline.¹⁶⁹

It is significant that when the Board of Trade decided upon a modest expansion of the trade boards system in 1913 it proposed to apply them largely to 'indoor' trades. These were sugar confectionery and food preserving; shirt making; hollowware making; linen and cotton embroidery; and calendering and machine ironing in steam laundries. Although shirt-making retained a declining home-work sector, only the small Irish linen and cotton embroidery trade was an outdoor one, and this was included in the Provisional Order on the recommendation of a 1912 Home Office Report.¹⁷⁰ Both sugar confectionery and food preserving, and shirt-making were large national women's trades employing at least 80,000 and 50,000 females respectively. In the former sector, wages remained at the dire level revealed in the 1906 census, whereby over forty per cent. of full-time female workers earned less than ten shillings per week, whilst the Board of Trade had long-earmarked the shirt-making trade for wages board regulation.¹⁷¹ In the hollowware trade women employees in the Black Country, marshalled by the National Federation of Women Workers in 1912, successfully went on strike in support of piece-lists which enabled them to earn ten shillings for a 54 hour week, compared with the six-to-seven shillings they earned hitherto.¹⁷² Thereafter, both sides were keen on the establishment of a trade board, for the employers 'wished to secure against other employers undercutting them, and the workers ... wished to retain the fruits of their strike.'¹⁷³

Neither employers nor workers in the four aforementioned trades raised any objection to their impending coverage by trade boards. In sharp contrast, laundry employers petitioned against the Provisional Order. An MP sympathetic to their cause explained:

the industry repudiates the suggestion that an appreciable portion of its employees receive a sweated wage, resents the establishment of an invidious and unjustifiable distinction between steam and hand laundries, affirms that its operations carried on under thoroughly hygienic conditions ... and maintains that no interference is necessary.¹⁷⁴

Laundry employers even claimed that as the NFWW had begun recruiting in the industry, there was no justification for state intervention in wage determination in the trade.¹⁷⁵ However, the NFWW had only recruited about one thousand laundry workers across Britain; conditions were evidently not ripe for collective bargaining. Whilst the Board of Trade was satisfied that wages were exceptionally low in the laundry trade¹⁷⁶ it is reasonable to blame bureaucratic ineptitude as much as the canny resistance of employers for the failure to establish a trade board in this sector. The definition of the section of the laundry industry to be subject to a trade board was imprecise and allowed employers to convince the Select Committee members that such intervention would be detrimental to the trade. During one sitting of the 1913 Select Committee both a Board of Trade official and a spokesman for the laundry employers appeared confused as to which sections of the trade the Provisional Order was intended to apply to!¹⁷⁷

At least the supporters of an extension of trade boards exhibited better organisational skills. Macarthur's NFWW frequently lobbied the Board of Trade discreetly for such a course of action. More surprisingly, in 1913 the *Daily Telegraph* claimed that for 'the last few months, the Conservative and Unionist Women's Franchise Association have been working very quietly to

extend the provisions of the Trade Boards Act to a larger number of ill-paid industries'.¹⁷⁸ As early as May 1911, Sydney Buxton revealed to the Commons that applications had been received at his department, from either workmen or employers, for trade boards to be extended to the brass, linen and cognate, calico printing, shirt-making, baking, joinery and (Irish) railways.¹⁷⁹ The TUC as a whole may have adopted a lukewarm attitude towards the trade boards, but several weaker unions, such as those representing agricultural labourers, carmen and other vehicle workers, were keen for them to be established in their trades.¹⁸⁰ Remarkably, Mary Macarthur even secured the support of the 1911 Congress for a resolution calling for the extension of 'the Trade Boards Act to all trades in which the rate of pay is so low as not to afford a living wage.'¹⁸¹

By 1913 parliament evidently considered the trade boards a modest success worthy of modest extension. The 'leap in the dark' of 1909 had been justified. The 'special case' argument relating to sweated labour proved the crucial factor in seducing 'middle ground' opinion in support of a minimum wage policy. As Philip Snowden commented, 'It was such a departure from the old idea of non-interference with economic laws that nothing but the absolute necessity of doing something to deal with the universally admitted evil of sweating secured agreement that the experiment should be tried.'¹⁸² A desperate, intractable problem warranted a dramatic, innovative response.

Apart from weaknesses regarding enforcement of determinations, trade boards were perceived to have succeeded in meeting their terms of reference. Minimum rates fixed by trade boards were not generous, but their remit was to

raise the wage-rates of 'exceptionally low' paid sectors to the levels paid by the better-organised firms. From the government's perspective, at least the modest level of minimum rates fixed diminished the prospect both of their causing unemployment and prompting an outcry from employers. Such a negative reaction from employers would surely have cooled the enthusiasm of the Liberal Party for this experimental statutory intervention in the wages contract. For employers, the trade boards proved a valuable insurance against undercutting, when determinations were properly administered, whilst unions could acknowledge the impressive spur they had given to the organisation of workers in the scheduled trades. Trade boards fitted in neatly with the New Liberal welfare agenda whereby state assistance was to be concentrated on the poorest members of society, without pauperising them, and enabling them to increase their capacity for self-help. More importantly from ministers' perspective, perhaps, trade boards appeared to aid the operation of the free-market economy generally.

As will be demonstrated in the following chapter, the widespread perception of trade boards' successful operation served as a springboard for more ambitious statutory minimum wage policy propositions. By the autumn of 1913, the government had decided to apply this model of minimum wage-fixing machinery to the agricultural industry, the greatest sector of the economy after coal mining, whose heavily unionised workers were awarded wages board model minimum wage protection in 1912.

List of references

¹ Often as meagre as a penny an hour, see R. Mudie Smith (ed.), *Sweated industries. Being a handbook of the 'Daily News' exhibition* (1906).

- ² Owned by George Cadbury, the foremost Radical paper of the time, enjoying a circulation figure of 200,000.
- ³ James Joseph Mallon, 1875-1961. A friend of A.G. Gardiner, this genial socialist of Irish parentage was warden of the Toynbee Hall university settlement in East London from 1919-1954.
- ⁴ See M.A. Hamilton, *Arthur Henderson* (1938), p. 55.
- ⁵ TUC, *42nd Annual Congress Report*, 1909, p. 49.
- ⁶ J. Morris, *Women, workers and the sweated trades. The origins of minimum wage legislation* (Aldershot, 1986), p. 131.
- ⁷ TUC, *40th Annual Congress Report*, p. 173.
- ⁸ S. & B. Webb, *Industrial democracy* (2nd edn., 1902), p. xl.
- ⁹ *Report to the Secretary of State for the Home Department on the wages boards and Industrial Conciliation and Arbitration Acts of Australia and New Zealand by Ernest Aves*, Cd. 4167 (1908), pp. 56-59.
- ¹⁰ H.A. Clegg, A. Fox, A.F. Thompson, *A history of British trade unions since 1889. Volume I. 1889-1910* (Oxford, 1964), p. 404.
- ¹¹ George Barnes' contribution to the NASL's deputation to Asquith, *Manchester Guardian*, 15 Dec. 1908, Gertrude Tuckwell Collection, 6/224/26.
- ¹² *Report of the Select Committee on Home Work*, 1908 (HMSO, 1908), p.46.
- ¹³ In fact, Sheila Blackburn has demonstrated that organisations such as the Women's Industrial Council had succeeded in associating sweating in the public mind within these terms during the 1890s. See "No necessary connection with homework: gender and sweated labour, 1840-1909", *Social History*, 22 (1997), pp. 276-78.
- ¹⁴ *Report of the Select Committee on Home Work*, 1908, p. 110. It is likely that men faced a similar dilemma.
- ¹⁵ For Barnes' view, see *Daily News*, 15 Dec. 1908, Gertrude Tuckwell Collection, 6/224/25. See also Henderson's speech in parliament on 26 Mar. 1909, *2 H.C. Deb. 5s. col.* 2081.
- ¹⁶ For an example of the controversy surrounding compulsory arbitration within the labour movement, see the debate on Ben Tillett's 'Industrial Conciliation and Arbitration' resolution at the 1906 Congress, TUC, *39th Annual Congress Report*, pp. 127-31.
- ¹⁷ Quoted by *Birmingham Post*, 10 May 1907, Gertrude Tuckwell Collection, 6/221/1. Margaret MacDonald was something of an expert on homework, having organised a Women's Industrial Council inquiry into the phenomenon in 1897.
- ¹⁸ Evidence of 'Mrs A', one of the sweated workers marshalled by Mary Macarthur to appear before the Select Committee, *Report of the Select Committee on Home Work*, 1908, p. 96.
- ¹⁹ *Ibid.* See also testimony of 'Miss C' on same page.
- ²⁰ Her diary entries for 30 Jun. 1907 and 23 Feb. 1908 reveal meetings with the MacDonalds, during which she offered discreet support for their campaign. See University of Warwick, Modern Records Centre (MRC), MSS 29/8/1/100 and 29/8/1/110 respectively.
- ²¹ Cited in, *Report of the Select Committee on Home Work*, 1908, p. v.
- ²² Ramsay MacDonald, "Sweating and wages boards", *Nineteenth Century and after*, 64 (1908), p. 761.
- ²³ Ramsay MacDonald, "Arbitration courts and wages boards in Australia", *Contemporary Review*, 93 (1908) p. 322.
- ²⁴ Margaret MacDonald, "The legal minimum wage. The case against it", *Labour Leader*, 7 Jun. 1907, Gertrude Tuckwell Collection, 6/219/10.
- ²⁵ See, *Report of the Select Committee on Home Work*, 1908, pp. 30-32.
- ²⁶ S. & B. Webb, *Industrial democracy*, p. 545.
- ²⁷ See, for instance, speech of Herbert Burrows to Rainbow Circle, 6 Oct. 1897, in M. Freedon (ed.), *Minutes of the Rainbow Circle 1894-1924* (1989), p. 47.
- ²⁸ See *4 H.C. Deb. 5s. col.* 396.
- ²⁹ *Report of the Select Committee on Home Work*, 1908, p. 8.
- ³⁰ *Glasgow Herald*, 12 Oct. 1907, Gertrude Tuckwell Collection, 6/218/11.
- ³¹ *Report from the Select Committee on Home Work*, p.134. In fact the figure of 3,000 represented merely the approximate number of homeworkers visited by members of the League!
- ³² *Ibid.*, p. 119.
- ³³ *Ibid.*, pp. 123-30.

- ³⁴ *Ibid.*, p. 131.
- ³⁵ Cd. 4167, p. 55.
- ³⁶ See Hobson's speech to Guildhall Conference, in Gertrude Tuckwell Collection, 6/218/1, and S. & B. Webb, *Industrial democracy*, pp. 778-80.
- ³⁷ *Report of the Select Committee on Home Work*, 1908, p. 176.
- ³⁸ See her article in, *Glasgow Herald*, 12 Sept. 1908, Gertrude Tuckwell Collection, 6/219/8.
- ³⁹ See M.A. Hamilton, *Arthur Henderson*, pp. 56-57.
- ⁴⁰ Thomas Whittaker, 1850-1919, Liberal MP for Spen Valley since 1892. He took an interest in social questions and had business interests in the Life Assurance, hardware and media spheres.
- ⁴¹ Ernest Aves, 1857-1917, a progressive minded economist and resident of Toynbee Hall. He played a major role in Booth's monumental *Life and labour of the people of London* surveys.
- ⁴² See 184 *H.C. Deb.* 4s. cols. 1216-18.
- ⁴³ *Ibid.*, col. 1224.
- ⁴⁴ *Ibid.*, cols. 1228-29.
- ⁴⁵ Cd. 4167 (Ernest Aves' Report), p. 125. For entire conclusion, see pp. 121-25.
- ⁴⁶ *Ibid.*, pp. 75-77.
- ⁴⁷ *Ibid.*, p. 56.
- ⁴⁸ *Rport of the Select Committee on Home Work*, 1908, p. 142.
- ⁴⁹ See, for instance, Joseph Chamberlain's Saltley speech of Jan. 1906, reproduced in, *Monthly Notes on Tariff Reform*, 4 (1906), pp. 39-40.
- ⁵⁰ See Clementina Black, *Sweated industry and the minimum wage* (1907), p. xxiii and *Report of the Select Committee on Home Work*, 1908, p. 177 (Dilke's testimony).
- ⁵¹ *Report of the Select Committee on Home Work*, 1908, p. xvii..
- ⁵² *Ibid.*, p. xiv.
- ⁵³ *Ibid.*, p. 4.
- ⁵⁴ *Ibid.*, p. 83.
- ⁵⁵ 2 *H.C. Deb.* 5s. col. 1792.
- ⁵⁶ See testimony of Morris Cohen, a ladies costume maker, *Report of the Select Committee on Home Work*, 1908, pp. 65-71.
- ⁵⁷ D.J. Douglas to Committee, *ibid.*, p. 4. See also Watts' identical argument on p. 101.
- ⁵⁸ See Dilke's testimony, *ibid.*, pp. 173-85.
- ⁵⁹ See, *ibid.*, pp. 51-53.
- ⁶⁰ *Ibid.*, p. 182.
- ⁶¹ Cited in *Westminster Gazette*, 17 Jun. 1908, Gertrude Tuckwell Collection, 6/218a/7.
- ⁶² J.R. MacDonald, "Sweating and wages boards", pp. 749-50.
- ⁶³ *Report of the Select Committee on Home Work*, 1908, p. xiv.
- ⁶⁴ T. Whittaker, "A Minimum Wage for Home Workers", *Nineteenth Century and after*, 64 (1908), pp. 508-09.
- ⁶⁵ Namely: tailoring; shirtmaking; and underclothing and baby-linen.
- ⁶⁶ See *Report of the Select Committee on Home Work* – 'consideration of draft report', p. xlviii. In fact pensions had been provided for in the 1908 Budget, a Royal Commission on the Poor Law was sitting and Beveridge was working on the problems of blind-alley employment and unemployment generally at the Board of Trade.
- ⁶⁷ *Spectator*, 1 May 1909, Gertrude Tuckwell Collection 6/220/2.
- ⁶⁸ The words of Owen Parker, a Northamptonshire civic leader, *Northampton Reporter*, 6 Apr. 1908, Gertrude Tuckwell Collection, 6/219/5.
- ⁶⁹ *Report of the Select Committee on Home Work*, 1908, p. 196.
- ⁷⁰ See Thomas Mackay, *The dangers of democracy - studies in the economic questions of the day* (1913), p. 163.
- ⁷¹ Ramsay MacDonald, "Sweating and Wages Boards", p. 163.
- ⁷² Quoted in *The Times*, 30 Mar. 1909, Gertrude Tuckwell Collection, 6/219/3.
- ⁷³ *Edinburgh Evening Dispatch*, 12 Oct. 1907, Gertrude Tuckwell Collection, 6/218/10.
- ⁷⁴ For a full list of those billed to attend, see *The Times*, 5 Dec. 1908, Gertrude Tuckwell Collection, 6/224/22.
- ⁷⁵ *Morning Post*, 15 Dec. 1908, Gertrude Tuckwell Collection, 6/224/23.

- ⁷⁶ H.J. 'Jack' Tennant, the Prime Minister's brother-in-law, husband of May Abraham, the first female Factory Inspector, and a long-time sponsor of Dilke's Wages Board Bills. It is possible that his appointment was a conscious attempt by Asquith to thwart Churchill's brief flirtation with a more comprehensive minimum wage policy; apparently, he wanted to ensure a 'reasonable wage' for the bottom third of the working population. See M. Stewart & L. Hunter, *The needle is threaded. The history of an industry* (1964), pp. 139-42.
- ⁷⁷ See H. Llewellyn-Smith, *The Board of Trade* (1928), pp. 184-85. Like Aves, Llewellyn Smith had been involved both with the Toynbee Hall university settlement and Booth's surveys of poverty in London.
- ⁷⁸ Cited in Randolph S. Churchill, *Winston Churchill. Vol. II. Companion Part 2 1907-11* (1969), pp. 879-80.
- ⁷⁹ Churchill had hoped that his Bill would pre-empt its rival, see, *ibid.*, p. 881.
- ⁸⁰ WSC to Clementine, 28 Apr. 1909 (the date of the second reading), *ibid.*, p. 887.
- ⁸¹ *4 H.C. Deb. 5s.* cols. 352-53.
- ⁸² Clause 3 of the 1909 Act empowered trade boards to report on 'any matter' 'with reference to the industrial conditions of a trade', albeit only at the instigation of a government department.
- ⁸³ *4 H.C. Deb. 5s.* col. 408.
- ⁸⁴ *2 H.C. Deb. 5s.* col. 2075.
- ⁸⁵ *Ibid.*, col. 345.
- ⁸⁶ More hyperbole from Frederick Banbury, *2 H.C. Deb. 5s.* col. 1792.
- ⁸⁷ *4 H.C. Deb. 5s.* col. 390.
- ⁸⁸ See entry of 14 Jul. 1909 in Clara Collet diary, MRC, MSS 29/8/1/132.
- ⁸⁹ For the anger of Labour MPs, see the third reading debate, *7 H.C. Deb. 5s.* cols. 2430-81.
- ⁹⁰ Sheila Blackburn, "Working class attitudes to social reform: Black Country chainmakers and anti-sweating legislation, 1880-1930", *International Review of Social History*, 33 (1988), pp. 66-64.
- ⁹¹ For the Trade Boards Bill second reading debate in the Lords, see *2 H.L. Deb. 5s.* cols. 974-1016.
- ⁹² In "A very moderate socialist indeed? R.H. Tawney and minimum wages", *Twentieth Century British History*, 10 (1999), p. 112. Many of Blackburn's criticisms of the trade boards' performance relate to the inter-war period. By contrast, this chapter is concerned with pre-1914 perceptions of wages boards.
- ⁹³ See A.G. Gardiner, "The social policy of the government", *Contemporary Review*, 101 (1912), p. 384.
- ⁹⁴ The views of G.S. Barnes (Second Secretary to the Board of Trade by 1913), and J.D. Fitzgerald (a lawyer for the department), both expressed to the 1913 *Select Committee on the Trade Boards Act Provisional Orders Bill*, pp. 8 & 4 respectively, House of Commons Parliamentary Papers 1913, Vol. XIV.
- ⁹⁵ *Studies in the Minimum Wage No.I. The establishment of minimum rates in the chain making industry under the Trade Boards Act of 1909* (1914). In 1912 Tawney was appointed as Director of the Ratan Tata Foundation to promote the study of and methods of relieving poverty.
- ⁹⁶ *Studies in the Minimum Wage No.II. The establishment of minimum rates in the tailoring industry under the Trade Boards Act of 1909* (1915), p. 252.
- ⁹⁷ *Ibid.*, p. 252.
- ⁹⁸ Sheila Blackburn, "The problem of riches: from trade boards to a national minimum wage", *Industrial Relations Journal*, 19 (1988), p. 124.
- ⁹⁹ M. Stewart & L. Hunter, *The needle is threaded*, p. 144.
- ¹⁰⁰ *Minimum rates in chainmaking*, p. 36.
- ¹⁰¹ The verdict of the Wholesale Clothing Manufacturers' Federation (WCMF), *Report to District Associations*, 11 Nov. 1911, MRC, MSS. 222/LWC/1/1/1.
- ¹⁰² Felix Maginn, 'Minimum Wages. Effects of the Trade Board Act', *Widnes Examiner*, 2 Mar. 1912, Gertrude Tuckwell Collection, 6/219/26.
- ¹⁰³ See Minutes of the Shirt-making Trade Board, MRC, MSS. 258/1/3/1.
- ¹⁰⁴ Ernest Aves was chairman of all the trade boards from 1912 until his death in 1917, after the first chairman, W.B. Yates, left to oversee the National (Unemployment) Insurance Scheme.

- ¹⁰⁵ See Minutes of the Tailoring Trade Board (TTB), MRC, MSS. 258/1/1/5 Pt.1.
- ¹⁰⁶ *Minimum rates in tailoring*, p. 33.
- ¹⁰⁷ The view of G.W. Brown at a clothing employers' deputation to the Board of Trade, 11 Apr. 1911. See Minutes of the WCMF, MRC, MSS. 222/CM/1/1/1.
- ¹⁰⁸ For instance, they proposed a 4d. minimum female time rate on 2 Aug. 1911. See TTB minutes, MRC, MSS. 258/1/1/1.
- ¹⁰⁹ See Minutes of the TTB, 21 Jan. 1913, MRC, MSS. 258/1/1/3.
- ¹¹⁰ See claim in *Co-operative News*, 19 Apr. 1913, Gertrude Tuckwell collection, 6/220/17.
- ¹¹¹ The early meetings of the WCMF in 1910 frequently mention this stance adopted by the box-makers, see MRC, MSS. 222/CM/1/1/1.
- ¹¹² See Minutes of the TTB, Jul. 1913, MRC, MSS. 258/1/1/4.
- ¹¹³ Clause 8(b) of the Trade Boards Act, *Public General Acts, 9 EDW.7.*, Ch. 22, p. 96.
- ¹¹⁴ See *Minimum rates in chainmaking*, pp. 40-41. Minimum time rates for adult females fixed by the other trade boards were as follows: Lace-finishing, 2½d.; Box-making, 3d.; Tailoring, 3¼d. The latter boards fixed their first adult male time rates at 6d.; the Chain board at between 5-7d., depending on the size of the chain produced; the Lace-finishing board covered only the female labour processes.
- ¹¹⁵ J.A. Hobson, "A living wage", *The Commonwealth*, I (1896), p. 129.
- ¹¹⁶ See his article in the *Manchester Guardian*, 28 Oct. 1913, Gertrude Tuckwell Collection, 6/220/32.
- ¹¹⁷ Cited in S. Blackburn, "Working class attitudes to social reform", p. 65.
- ¹¹⁸ TUC 45th Annual Congress Report, p. 238.
- ¹¹⁹ TTB minutes, 21 Jan. 1913, MRC, MSS. 258/1/1/3.
- ¹²⁰ See *Minimum rates in chainmaking*, pp. 17-21. The two earlier dates marked two previous studies into the conditions of the chain-makers of Cradley Heath. The 1906 wage census showed that average weekly earnings for full-time adult women chain-makers was just 7s.6d. See *Report of the War Cabinet Committee on Women in Industry*, Cmd. 135, 1919, p. 35.
- ¹²¹ See R. Mudie-Smith, *Sweated industries*, p. 61.
- ¹²² This proportion was likely to have been a conservative estimate of low earnings, as this voluntary wage census was concerned primarily with ascertaining mean occupational wage relativities of organised labour. See Roger Davidson, *Whitehall and the labour problem in late-Victorian and Edwardian Britain. A study in official statistics and social control* (1985), pp. 154 & 269-70.
- ¹²³ *Minimum rates in chainmaking*, Table X, p. 86.
- ¹²⁴ The *Women in Industry* Report, Cmd. 135, 1919, pp. 75-76, painted a favourable picture of the effects of the first trade board rates before 1914.
- ¹²⁵ Tawney, *Minimum rates in tailoring*, pp. 80-81.
- ¹²⁶ *Minimum rates in tailoring*, pp. 87 & 96.
- ¹²⁷ Felix Maginn, in *Widnes Examiner*, 2 Mar. 1912, Gertrude Tuckwell Collection, 6/219/26.
- ¹²⁸ Resolution of the Tailoring Trade Board's 9th meeting, Oct. 1912, see MRC, MSS. 258/1/1/2. However, it did carry one caveat: 'the foregoing view being based on the understanding that the minimum rates are payable to workers subject to deductions of the workers' contributions under the National Insurance Act'.
- ¹²⁹ See TUC, 45th Annual Congress Report, pp. 249-50.
- ¹³⁰ See *Minimum rates in chainmaking*, p. 110, and *Minimum rates in tailoring*, p. 160, respectively. In lieu of any official figures relating to this issue, the Board of Trade was content to accept Tawney's hypothesis in this regard. See *Trade Boards Act, 1909. Effect of fixing minimum rates of wages on prices*, a memorandum by S.L. Besso, dated 20 Nov. 1916, Public Record Office (PRO): LAB2/934/TB155/2/1925/Pt.6.
- ¹³¹ *Minimum rates in chainmaking*, pp. 55-58, 67-71.
- ¹³² *Drapers Record*, 2 Mar. 1912, Gertrude Tuckwell Collection, 6/219/25.
- ¹³³ See 1914 *Select Committee on Trade Boards Act Provisional Orders Bill*, pp. 159-60, HC Parl. Papers 1914, Vol. X.
- ¹³⁴ The breakdown being as follows: 95 for tailoring; 24 for box-making; and 2 for lace-finishing. See H. Llewellyn Smith, *Memoranda in reference to the workings of the Trade Boards Act* (1913, copy held in MRC, MSS. 292C/239.43/4), p. 6.
- ¹³⁵ See speech of W.E. Jansen to the 1912 Congress, TUC, 45th Annual Congress Report, p. 238.

¹³⁶ Summary of reports from TTB District Trade Committees, May-June 1912, TTB minutes, MRC, MSS. 258/1/1/2.

¹³⁷ *Minimum rates in tailoring*, p. 54.

¹³⁸ *Ibid*, pp. 174-80.

¹³⁹ *Minimum Rates in chainmaking*, p. 113. Clearly, Tawney exaggerated the effect of the Chain trade board rates on the standard of living of the workers concerned. See Sheila Blackburn, "A very moderate socialist indeed?", pp. 117-19.

¹⁴⁰ *Minimum rates in tailoring*, p. 140.

¹⁴¹ See *Towards industrial peace. Being the report of the proceedings of a conference organised by the League of Nations Union ... on systems of fixing minimum wages...* (1927), p. 50.

¹⁴² *Ibid*, p. 63.

¹⁴³ *Widnes Examiner*, 2 Mar. 1912, Gertrude Tuckwell Collection, 6/219/26.

¹⁴⁴ See 45th yearly and financial report of the Amalgamated Society of Tailors and Tailoresses, MRC, MSS. 192.

¹⁴⁵ See Stewart & Hunter, *The needle is threaded*, pp. 160, 166, 169. Over two-thirds of AUCO's membership was female.

¹⁴⁶ See Tawney, *Minimum rates in tailoring*, p. 94.

¹⁴⁷ J.J. Mallon, *Manchester Guardian*, 28 Oct. 1913, Gertrude Tuckwell Collection, 6/220/32.

¹⁴⁸ *Minimum rates in Tailoring*, pp. 90-91.

¹⁴⁹ G.S. Barnes to 1913 *Select Committee on the Trade Boards Act Provisional Orders Bill*, p. 55.

¹⁵⁰ A.J. Hollington, chairman of the inaugural meeting of the London Wholesale Clothiers Association, *The Outfitter*, 18 Dec. 1909, MRC, MSS. 222/LWC/1/1/1.

¹⁵¹ See, for example EC meeting of WCMF on 16 May 1911, MRC, MSS. 222/CM/1/1/1, and meetings of Shirt-making employers on 13 Mar., 28 Apr. & 11 Jun. 1914, MSS. 222/SC/1/1/1.

¹⁵² See meetings during 1913, *ibid*.

¹⁵³ *Nottingham Guardian*, 1 May, 1909, Gertrude Tuckwell Collection, 6/220/3.

¹⁵⁴ The trade board 'Irish Question' was a running sore to the clothing manufacturers. The WCMF initially wanted the British TTB to cover the whole of the UK. When the Board of Trade resisted this, they applied pressure on the heel-dragging department to establish an Irish TTB: once this body was set up the WCMF tried to insist that it should fix identical rates to those in force in Britain. See WCMF minutes, MRC, MSS. 222/CM/1/1/1-2.

¹⁵⁵ For example, the coverage of the tailoring board was extended to the slop cotton trade, rubberised waterproof clothing, oilskin clothing and even a section of the retail bespoke tailoring trade by 1914.

¹⁵⁶ See Minutes of the TTB, 9 Dec. 1912 & 21 & 22 Jan. 1913, MRC, MSS. 258/1/1/2-3.

¹⁵⁷ Quoted in an article in *The Men's Wear*, 1 Mar. 1913, Gertrude Tuckwell Collection, 6/220/14.

¹⁵⁸ See comments by Andrew Conley, General Secretary of AUCO, at the 1912 Congress, TUC, 45th *Annual Congress Report*, pp. 238-39.

¹⁵⁹ See "Working class attitudes to social reform", p. 65.

¹⁶⁰ See "My friends amongst the home workers of London", *Nineteenth Century and after*, 74 (1913), p. 840.

¹⁶¹ However, not all of these infringements constituted cases of employers under-paying workers, see Tawney, *Minimum rates in tailoring*, pp. 223-24.

¹⁶² See *Report on Administration for year ended 31 Mar. 1915*, TTB minutes, MRC, MSS. 258/1/1/5 Pt. 1 & 'Increase of inspectors under Trade Boards Act' resolution at the 1913 Congress, TUC, 46th *Annual Congress Report*, pp. 317-18.

¹⁶³ See unanimous resolution of 14th meeting of TTB, 1 May 1913, MSS. 258/1/1/4.

¹⁶⁴ See testimony of G.S. Barnes to 1913 *Select Committee on Trade Boards Act Provisional Orders Bill*, p. 54.

¹⁶⁵ Tawney, *Minimum rates in tailoring*, p. 202.

¹⁶⁶ *Minimum rates in tailoring*, p. 221.

¹⁶⁷ See David Vincent, *Poor Citizens. The state and the poor in twentieth century Britain* (1991), Ch. 1.

¹⁶⁸ See Tawney, *Minimum rates in tailoring*, pp. 218-20 & G.S. Barnes to 1913 *Select Committee on Trade Boards Act Provisional Orders Bill*, p. 18.

¹⁶⁹ For example, a 1935 (TUC) Trade Boards Advisory Council survey into the brush and broom trade estimated that the number of home-workers in the trade was only one-fifth of the pre-war figure. See attachment to the 14th annual TBAC meeting, 3 Jul. 1935, MRC, MSS. 292/238/1.

¹⁷⁰ By Sir Ernest Hatch. See 1913 *Select Committee on Provisional Orders Bill*, pp. 12-14.

¹⁷¹ See *ibid*, pp. 9-10.

¹⁷² See B.L. Hutchins, *Women in modern industry* (1915), pp. 136-38.

¹⁷³ G.S. Barnes to 1913 *Select Committee on Provisional Orders Bill*, p. 12.

¹⁷⁴ J.D. Rees, Conservative MP for Nottingham East, 54 *H.C. Deb. 5s.* col. 2181 (3 Jul. 1913). Ironically, as a Liberal MP in 1909, he voted for the Labour amendment to the Trade Boards Bill that would have facilitated an easier expansion of boards to non-scheduled trades! See 7 *H.C. Deb. 5s.* division list no. 308, cols. 2435-36 (16 Jul. 1909).

¹⁷⁵ See testimony of counsel for the National Federation of Laundry Associations, 1914 *Select Committee on Provisional Orders Bill*, p. 156.

¹⁷⁶ Clara Collet considered the industry the lowest paying outside the clothing sector, see *ibid*, p. 30.

¹⁷⁷ See 1913 *Select Committee on Provisional Order Bill*, pp. 27 & 45-48 respectively.

¹⁷⁸ 17 Nov. 1913, Gertrude Tuckwell collection, 6/218/17.

¹⁷⁹ See 25 *H.C. Deb. 5s.* col. 1195 (10 May 1911).

¹⁸⁰ See TUC, *Annual Congress Reports*, 1910: p. 126; 1911, p. 106; 1912, p. 164-5; 1913, p. 310.

¹⁸¹ TUC, 44th *Annual Congress Report*, pp. 241-42.

¹⁸² Philip Snowden, *The living wage*, (1912), p.121.

CHAPTER TWO

A MINIMUM WAGE FOR ALL IN PROSPECT?

1910-1914

This chapter will chart the developments in trade union and party political thinking after 1909 that was to herald the tantalising prospect of a *de-facto* ‘minimum wage for all’ by the eve of the First World War. By 1914, statutory minimum wage policy extended far beyond the limited application of trade boards to sweated sectors. Almost 900,000 underground mineworkers were guaranteed daily wage minima in response to the national strike called by the Miners’ Federation of Great Britain (MFGB) in 1912. The following year, the Liberal Cabinet committed itself to establishing wages boards for agricultural workers, the second largest occupational grouping, after the miners. Furthermore, just before the crises in Ulster and continental Europe claimed the exclusive attention of Asquith’s ministers in the summer of 1914, the government was, arguably, poised to endorse the principle of a minimum wage for unskilled, non-unionised, town labourers.

But what prompted this movement of opinion? Of undoubted importance was the decline in real wages during the Edwardian period. Board of Trade statistics revealed that between 1900 and 1912 food prices had risen by 14 per cent., whilst the cost of clothing had risen by 16 per cent.¹ By contrast, wage levels had stagnated. Rowntree’s 21s. 8d. ‘poverty line’, the household income required in 1899 by an ‘average’ family in York to

maintain 'mere physical efficiency', had by 1913 risen with inflation to 25 shillings.

All but the highest wage-earning classes were affected by this rise in the cost of living. For millions of households headed by unskilled and semi-skilled workers, together with a considerable minority of skilled workers, fighting a constant battle to avoid a descent into acute poverty, the reduced spending power of often-irregular earnings had potentially serious consequences. The 'wages question', the insufficiency of wages to meet the subsistence needs of wage-earning households, thus became a major political issue from 1910. For, despite the healthy performance of the economy as a whole, wages failed to advance sufficiently to keep pace with price rises, if, indeed, they rose at all. As Philip Snowden argued, 'so long as the workman is left to provide most of the necessities of life by individual expenditure, the question of wages will be of paramount importance to him.'² Unsurprisingly, industrial unrest increased sharply after the economy emerged from its last pre-war recession in 1909. Rather than attribute this upsurge in industrial militancy to socialism in general, or syndicalism in particular, more perceptive observers judged correctly that, 'it is about wages that nine-tenths of the strikes and lock-outs arise, and wages, wages, wages, and little else than wages are at the bottom of the "labour unrest".'³

It was not merely the continued growth of inequalities of wealth that aroused the ire of workers, but the greater visibility of these disparities. This was not only due to the plethora of writings on the subject of poverty in this period: the late-Victorian expansion of the cheap popular press continued into the next decade. 'Ostentatious' displays of wealth, such as motorcar usage,

amongst the privileged classes grew concurrently with this phenomenon. A 1911 Cabinet Paper concerned with industrial unrest identified the impatience of wage earners concerned with the 'bare struggle for a livelihood' and mused; 'in affording a basis for discontent with his lot in life to the wage-earner, this publicity of private luxury may not be without importance.'⁴

Furthermore, a study by Professor A.L. Bowley, the statistician who had helped the Board of Trade compile its cost of living index, into the conditions of working class households in four towns in 1912-13, concluded that poverty was as all-pervasive as Rowntree had found in York over a decade earlier. Bowley found that a comparable proportion of adult male householders was failing to earn sufficient wages to provide for the physical efficiency needs of their dependants. Whereas in 1899, 36 per cent. of such workers in York earned less than 24 shillings per week, in Northampton and Warrington in 1913 the figures were 27 per cent. and 33 per cent., respectively, whilst in Reading over fifty per cent. of workers failed to earn this amount in 1912.⁵ Even more alarmingly, Bowley found that insufficient wages constituted the principal cause of poverty in two-thirds of cases in Northampton and Reading, and a mighty 87 per cent. in Warrington (Rowntree's figure for York was 57 per cent.).⁶ Even Bowley, an academic of no obvious radical disposition, was moved by empirical evidence to conclude that

It can hardly be too emphatically stated that of all the causes of primary poverty which have been brought to our notice, low wages are by far the most important. We could go further and say that to

raise the wages of the worst-paid workers is the most pressing social task with which the country is confronted to-day.⁷

Against this background, the term 'sweating' was increasingly deemed to define not merely 'exceptionally'-exploited labour, such as female home workers, for instance, but *all* wage earners that failed to earn sufficient to maintain physical efficiency. In view of the importance of the 'sweating' concept to the decision of the state to grant minimum wage protection to limited groups of workers in 1909, such a modification in the understanding of the term foreshadowed a major shift in attitudes towards the applicability of legal minimum wages to industry in general.

Buoyed by rising trade union membership, against a background of falling unemployment from 1910, trade unions redoubled their efforts to secure 'living' wages for their members. However, it is doubtful whether trade unionists were uniformly sympathetic to the notion that all workers deserved a living wage. Some 'pioneer' trade unionists, who had sometimes experienced intimidation and victimisation from employers' resenting combination amongst their employees, felt that if unorganised workers wanted a living wage, they should form or join a trade union and fight for one! Minimum wages demanded by trade unions were thus to be won by collective bargaining rather than statutory intervention.⁸

Many unions representing skilled workers remained wary of advocating flat-rate minima, for fear that such a wage could be 'juggled' by employers 'into a fixed rate which every worker in the trade must accept.'⁹ Nonetheless, smaller unions representing the lower grades of labour recognised the service a fixed minimum rate could render in raising the

standard of living of their members (and also in acting as a recruiting agent amongst the unskilled workers for the union which cared to sponsor such an advance on their behalf). Labourers, failing often to earn even a pound a week, did not hold the fear that a subsistence-level minimum wage could become a maximum rate.

However, those unions able to exercise industrial muscle were keener advocates of the 'general advance of wages' movement than statutory minimum wages in 1913-1914. In response to the prolonged fall in real wages during the Edwardian period, this movement called for all trade unions to take 'early and simultaneous action to obtain an increase of 5s. a week for all grades of time and piece workers in both public and private employ'.¹⁰ To many trade unionists, this joint collective demand for a *flat-rate increase* in wages was a preferable policy to a minimum wage, which was perceived all-too-often as a *flat-rate wage* policy.

Nonetheless, the peculiar difficulties of the coal industry led the miners to seek a guaranteed minimum daily wage guarantee in 1911-1912.¹¹ The industry suffered from declining productivity during the Edwardian period 'because the physical conditions of individual mines and the efficiency of management were often inferior.'¹² Colliers working in poor seams, 'abnormal places', struggled to maintain their piece-rate earnings, especially with the onset of shorter shifts resulting from the 1908 Eight Hours Act. The problem was accentuated in South Wales by the tradition whereby coal-getters, besides the work of getting coal, performed various other preparatory and subsidiary tasks, whereas in the north-east, for example, these tasks were

performed by a lower grade of miner. South Wales colliery owners, burdened by the Eight Hours Act coming into force at a time when coal exports had slumped, cut back discretionary allowances ('consideration') traditionally paid to miners working in difficult seams.¹³

The demand for a minimum wage for all underground workers rapidly superseded the abnormal places issue: 'if a man is justified in claiming that his earnings should be made up, if they are below normal owing to faulty conditions, he may be equally justified if his earnings are restricted through faulty management; both are equally out of his control.'¹⁴ In October 1911, the annual conference of the MFGB decided to 'take immediate steps to secure an individual District Minimum Wage for all men and boys ... without any reference to the working places being abnormal.'¹⁵ However, the sheer complexity of fixing a schedule of minimum rates for different grades of underground worker defeated the MFGB. Hence, district associations were left to calculate these, on the understanding that no underground worker should earn less than five shillings per day and boys should earn a minimum of two shillings per day.¹⁶

In a ballot of the membership on 18 January 1912, miners overwhelmingly endorsed their union's 'five and two' daily minimum wage demand and the associated schedules. Almost eighty per cent of those voting (445,801 votes against 115,300) endorsed strike action in support of the claim. The resultant first national miners stoppage was due to commence on 1 March 1912.

The government faced an awkward dilemma over whether to intervene to settle the dispute. It recognised the primary importance of coal to Britain's

economy and defence. Liberal ministers had also to reflect that, historically, a clear majority of both colliery owners and coal-miners had supported their party. A delicate balancing act was thus required by Asquith to preserve the electoral support of the bulk of the one million strong workforce, and secure the continued financial and political support of the owners. This task had already proved testing, for the combination of a decisive break with laissez-faire economic doctrine and the adoption of New Liberal social policies by Asquith's government had already alienated the older traditional school of Gladstonian Liberal capitalists. Any capitulation to the demands of the electorally powerful miners risked provoking a further influx of businessmen into the Conservative camp. On the other side of the negotiating table, the MFGB had voted to affiliate to the fledgling Labour Party in 1908. Although the results of the 1910 elections bear testament to the enduring 'Lib-Lab' loyalty amongst enfranchised miners, ministers were conscious that this support was weakening amidst the younger generation of more radically-inclined miners.

Nevertheless, Asquith did express his sympathy with what he viewed as 'an unselfish demand on the part of the great bulk of the miners';¹⁷ unselfish because their aim was to secure a minimum wage for the minority of underground workers unable to earn a decent wage, rather than a general increase for the majority. It should also be remembered that, although the miners wanted a minimum wage safety net, they preferred for it to be guaranteed by the employers, rather than the government. Anti-statism remained a powerful component of the political mindset of the miners. 'Mabon' and Enoch Edwards, MFGB President, were not isolated in their

conviction that state interference to determine the wage rates of miners was an affront to the notion of the proud and independent collier.¹⁸

The national stoppage began on 1 March, after the breakdown of a government-sponsored conference of the Mining Association (the employers) and the MFGB at the Foreign Office on 27 February. Within weeks, over a million men were thrown out of work, especially in the transport industries, whilst many more were put on short-time working.

Nevertheless, colliery owners were determined not to give ground. They believed that a

guaranteed minimum would be a premium upon idleness and an encouragement to the shirker to win as little coal as possible in exchange for the minimum wage ... the incentive which at present exists for the miner to turn out the maximum amount of coal, to enable him to earn the highest possible wage, would be destroyed.¹⁹

C.B. Crawshaw, the Dewsbury-based Yorkshire mine-owners leader, was anxious that that, 'I do hope Mr. Asquith fully realises the true position and will not "truck" for the miners votes! or be led astray by Lloyd George'.²⁰

During the first fortnight in March, the government grappled for a solution to the crisis. In the trouble-shooting 'Joint Committee' machinery existent in the Northeast coalfield, whereby local disputes were referred to a committee comprising six representatives each of employers and the union, together with an impartial chairman, it appeared to have found a means for a legislative settlement of the miners' minimum wage controversy.²¹ This machinery was conveniently similar in structure to the trade boards. By devolving responsibility for fixing daily minima to semi-autonomous

representative boards, the government could preserve its carefully engineered even-handedness. Miners would be granted the *principle* of a minimum wage, via legislation, but employers would not be bound by the MFGB's schedule of minimum day rates.

The government introduced its bill on 19 March, providing for the establishment of county-level wages boards ('Joint District Boards') with a reference to fix minimum piece-rates for all grades of underground miner within three months of their establishment. In the Commons, two Liberal colliery owners, Joseph Walton and Arthur Markham, both stressed their support for what they viewed as a sensible, moderate compromise solution to the crisis. Walton mocked the outrage of some MPs by comparing the miners' demands with the 'minimum wage' they had granted themselves in 1911.²² Markham endorsed statutory intervention in the wages contract in this special case, citing as his justification the appalling casualty rates prevalent amongst underground miners. The endorsement of these two Liberals was especially significant, as both owned collieries in districts where the MFGB scheduled minimum rates were highest (South Yorkshire and Nottinghamshire respectively), at 7s. 6d. a day. It is notable that other Liberal businessmen, such as Albert Spicer and Alfred Mond, justified their support for the Bill on the grounds that the Trade Boards Act precedent had worked so successfully. Mond reminded the Commons that the principle of state intervention to fix minimum wages

is not exactly novel. When the House, in 1909, passed with very little discussion the Trade Boards Act it laid down this principle by giving the right to outside Boards to tell employers what rate of

wages they must pay. I may be told that those are the sweated industries, but that does not affect the principle in the slightest degree. Either this House is in a position to legislate on fixed wages or it is not.²³

However, most Conservatives were not prepared to accept the argument that measures merely tolerated for the benefit of helpless (female) workers should also be conceded to the most powerful and organised sector of trade unionists. They were clearly unhappy at ‘giving-in’ to the demands of organised labour. Balfour asked, ‘has any feudal baron ever exercised his powers in the manner which the leaders of this great union are now using theirs?’²⁴ Clearly, Conservative acquiescence to trade boards for a limited number of sweated trades did not weaken their conviction that the state should not intervene to determine wage rates in private industry generally. Bonar Law inferred that the government had broken the cross-party consensus in favour of drawing upon the resources of the state only to aid the condition of the poor, and set a dangerous precedent.²⁵ As the *Liverpool Weekly Courier* lamented, the ‘historic policy of Liberalism has been to let work and wages alone, leaving employers and men and economic laws to settle prices and wages.’²⁶

Ultimately, however, the Conservatives offered little *constructive* criticism to the Government’s handling of the crisis. In any case, Robert Sanders, a Conservative whip, acknowledged that,

Our people are very divided as to what we ought to do ... On the whole the majority is against a minimum wage ... A few of our men don’t like opposing [the] second reading and the *Morning Post*

correspondent told me it was very dangerous for the mining representatives to do so.²⁷

Unimpressed with Bonar Law's 'crabbing' on this issue, Sanders lamented that, 'all through the debate the trouble was that our people were afraid to announce an alternative policy.'²⁸ However, Conservatives quietly assisting ministers in preventing the bill from being radicalised more to the MFGB's satisfaction, especially with regard to the lobbying of Labour MPs for the Bill to incorporate an endorsement of the 'five and two' principle.

Nevertheless, the miners were far from satisfied with the Coal Mines (Minimum Wage) Act. The result of the ballot of miners on 6 April was testament to this fact. Nationally, the MFGB membership actually voted to continue the strike (by 244,011 votes to 201,013), but as the requisite two-thirds majority was not met, the Union's Executive recommended a return to work. Alan Griffin noted that when an official of the Nottinghamshire Miners Association advised the men to vote for a resumption of work, 'there was so much heckling as to be unable to finish his speech.'²⁹ Amongst the larger districts, only South Wales and the Midland Federation voted for a resumption of work.³⁰

The miners were still not won round to the legislative settlement of the minimum wage dispute once the Joint District Boards had fixed minimum rates. Whereas Will Thorne enthused to the TUC later that year that 'in many districts a substantial increase of wages has been brought about',³¹ most miners disputed this. Although the boards were intended to foster consensus between employers and workers; in only three districts (Lancashire, South Derbyshire, and Warwickshire) were they able to fix rates without recourse to the reserve

arbitration powers of the chairmen, provided for in the legislation to ensure that minimum rates were fixed by June.³² Not surprisingly after such a bitterly fought dispute, common ground between the two sides was difficult to achieve. The rates fixed by the chairmen-cum-arbitrators were significantly below the MFGB's demands. For instance, in South Wales, the minimum day rate for colliers was fixed at 4/7, approximately 2/6 below the rate in the miners' schedule, whilst instead of the 'five and two', South Wales underground workers were guaranteed a minimum of 3/4 and 1/4 respectively.³³ Furthermore, the miners themselves were responsible for action to recoup any underpayment of these meagre minima, via the civil, rather than criminal, courts. There were many complaints that employers were refusing to co-operate with the requirements of the Act. *Justice* reported that 'a number of people had been dismissed by the masters so as to avoid payment of the extra wages due between the resumption of work after the strike and the decision of the Joint District Board'.³⁴

Nevertheless, despite Asquith's insistence that the Minimum Wage Act 'does not purport to lay down any general principles. It is quite possible for anybody to support this Bill, who holds, as I hold, that it is very undesirable for Parliament to fix wages',³⁵ Sir Edward Grey, the Foreign Secretary, recognised that 'a door has been opened with regard to the minimum wage which cannot be closed again.'³⁶ In April 1912, *The Nation* argued that

it is idle to pretend that early claims will not be pressed for the extension of the principle now legally conceded in the mining industry to other occupations, in some of which the gap between current wages and decent subsistence is considerably greater.³⁷

After all, if the state could legislate for minimum wages in the least *and* most organised sectors of the economy, it could apply them anywhere. Revealingly, after the end of the national coal strike, the government considered the feasibility of extending the principle of 'state interference in the economic conditions of the trade, on the lines of Trade Boards or a statutory minimum'³⁸, as a compensatory gesture in return for a statutory limitation of the rights of miners, railway, dockyard (and other inland transport workers) to strike.

However, the government had no intention of granting a thirty shillings weekly national minimum wage for all adult workers, a policy championed within the labour movement. This figure appears to have been adopted because it represented a 'good average' of adult male urban workers' weekly earnings during this period.³⁹ Will Crooks, an ILP and Labour MP, became synonymous with the thirty shillings campaign after he first introduced such a motion before a sceptical House of Commons on 26 April 1911.⁴⁰ The ILP executive decided one week later to launch a national campaign for the thirty shilling weekly minimum and an eight-hour day. During July 1911, over 700 meetings were organised nation-wide, and a conference was held in Bradford, attended by nearly 500 delegates from trades councils and unions endorsing the campaign.⁴¹

Although non-socialist commentators, including those sympathetic to the concept of statutory minimum wages, considered the thirty shillings proposal an impossible pipe dream,⁴² in 1912, even the TUC endorsed it.⁴³ Fearing that a minimum wage could all too easily become a maximum wage, the TUC had been wary of Will Thorne's argument that wages should be raised

by a combination of trade union *and* legislative effort.⁴⁴ It is thus unlikely that the TUC were committed, wholeheartedly, to a universal minimum weekly wage of thirty shillings. Although this resolution was once-again nodded through without debate in 1913, this Congress also passed a minimum wage resolution specifying no monetary figure, and launched the 'general advance of wages' campaign.⁴⁵ TUC business managers may well have opted to appease the minority of delegates interested in the minimum wage issue by quietly allowing their resolutions to pass. This freed conference time for Congress to debate the issues that it held close to its heart, such as the legal status of trade unions, unemployment and hours of labour issues. In the final analysis, organised labour viewed the thirty shillings minimum wage policy as 'a declaration of socialist intent rather than a practical measure.'⁴⁶

Even Philip Snowden, a senior figure within the ILP and Parliamentary Labour Party, was publicly scathing of the thirty shillings policy:

As a practical question, anything in the way of fixing by Act of Parliament a rigid and universal minimum wage is out of the question. Agitations for a universal minimum wage of 30s. a week are excellent propaganda, but as practical proposals such demands only lay themselves open to destructive criticism.⁴⁷

The principle of a uniform national minimum wage was scarcely more popular than the specific thirty shillings figure. R.H. Tawney, a keen advocate of trade boards, disliked the idea of a national minimum wage. 'It means that people are not paid what they are worth, but what is necessary to keep them working. That is how a horse or a slave is paid.'⁴⁸ J.J. Mallon, a fellow

propagandist for the trade boards, also argued that a flat-rate minimum wage would conflict with the trade union practice of district wage-rate agreements.⁴⁹

Acknowledging regional variations in the cost of living, even the Fabians, who favoured universal minimum wage coverage based on the cost of providing the basic physical requirements of workers, insisted that district level trade boards should be the means of implementing it.⁵⁰ Sidney Webb was emphatic in his rejection of a uniform national minimum wage:

This sounds simple, but it is undesirable and impracticable. Any universal minimum of that sort, applying to all districts and to all sorts of occupations, would certainly be fixed at a very low level, so as not to throw out of employment the millions of men and women workers in different parts of the country who are at present getting much less than a pound a week. But what use would be a National Minimum Wage of say, 3*d.* per hour? This would only encourage low wages. We don't want the sweated trades to drag down the minimum for the rest.⁵¹

Clementina Black was thus rebuffed when she proposed to a Fabian conference on 12 December 1912 that a national three-pence an hour minimum wage should be established, in order to, at the very least, aid the unionisation of sweated labour.⁵²

Rather than endorse a uniform national minimum wage, the TUC surpassed itself in 1911 by nodding through a resolution calling for the extension of trade boards to 'all trades in which the rate of pay is so low as not to afford a living wage.'⁵³ Similarly, the Labour Party sponsored the Labour (Minimum Conditions) Bill, presented to parliament on 31 July 1913 and 18

March 1914. It proposed to repeal the Trade Boards Act and substitute the principle that trade boards should be established for every trade where average weekly earnings were below 25 shillings. These boards would fix minimum wage rates, a maximum 48-hour week, overtime conditions and terms of apprenticeship. The Bill was prepared by the War Against Poverty campaign, organised by the Fabian Society and ILP jointly, and launched at the TUC Congress in 1912. In addition to the legal minimum wage, the War Against Poverty crusade encompassed demands for an eight-hour day, increased state assistance for the maintenance of children, abolition of the Poor Law, housing and health reforms, and an acceptance by the state of responsibility for the unemployed.⁵⁴

Radical Liberal MPs were keen advocates of an expansion of trade board coverage. Percy Alden, Robert Harcourt and R.D. Denman were amongst those who held such views.⁵⁵ However, many government-supporting MPs, whilst content to support trade boards for 'diseased' sectors of the economy, remained wary of any widespread extension of the minimum wage policy.

Most Conservatives were not keen on any extension of the narrow guidelines for statutory wage intervention set out in the clauses of the Trade Boards Act, which they had supported in 1909 largely on account of its 'limited' and 'experimental' character. Therefore, they tolerated merely a modest extension of the system to further *exceptionally* low-paying trades.⁵⁶ But whilst there were die-hard opponents of the minimum wage principle within the Tory Party, some Conservatives favoured a more advanced wages boards policy.⁵⁷

Richard Cooper, Tory MP for Walsall, even introduced a Bill calling for local authorities to fix hourly minimum wage rates. Cooper thought that urban levels should be at least $4\frac{1}{2}d.$ for men and $3d.$ for women, whilst rural rates should be $4d.$ and $2\frac{1}{2}d.$, respectively.⁵⁸ Moral force and persuasion, rather than legal sanction, were to be the enforcement officers of these district minimum rates. Cooper acknowledged that his proposal was 'very moderate - too moderate'. However, his objective was to coax MPs within his own party, who were worried by the potential 'dangers and disadvantages' of governmental interference in wages questions, into supporting a lowest common denominator minimum wage policy as a 'first and very moderate step towards securing a living wage for every able-bodied adult worker in England and Wales.' He also looked forward to the day when, 'a large mass of public opinion on the problem of what is a fair living wage to pay any able-bodied adult will be so developed that this House will be ready to bring forward a very drastic and compulsory Bill.'⁵⁹ However, it is fair to assert that a majority of Cooper's party dreaded such a day, and would have breathed a sigh of relief that the Bill failed to progress beyond a first reading.

By 1914, the TUC, the Labour Party, and its affiliated socialist societies, together with minimum wage enthusiasts amongst the Liberal and Conservative Parties, all embraced policies envisaging the nation-wide application of wages boards. These policies were often couched in terms of a demand for a 'living wage'. For politicians, the term 'living wage' served the dual advantage of being both an eye-catching popular slogan amongst working class electors and 'as elastic as life itself'⁶⁰ in terms of practical policy making! Given that the flat-rate minimum wage policy was not taken seriously even by

Will Crooks' close colleagues during this period. Sheila Blackburn has constructed a false dichotomy between the uniform national rate and the 'rival' trade boards minimum wage policy option.⁶¹

Nevertheless, there was a 'credibility-gap' between the trumpeting of the need for living wages by politicians before the First World War, and the wages boards policy prescriptions produced to provide them. As mentioned in the Chapter One, even J.J. Mallon admitted that trade boards did not necessarily establish 'living' minimum wage rates.⁶² Philip Snowden was thoroughly representative of his peers in insisting that representative wages boards, by their 'non-political' nature, were the only practical method of establishing a legal minimum wage.⁶³

Faced with a multitude of demands and policy-proposals intended to solve the wages question, what was the response of the Liberal government? Aside from strengthening the Fair Wages Resolution in 1909,⁶⁴ increasing the wages of state employees periodically, and expanding the trade boards system modestly in 1913, the government considered proposals giving legal force to voluntary agreements.⁶⁵ Against the background of the Port of London transport workers' strike, hot on the heels of the 1912 miners' strike, ministers were motivated by the desire to prevent strikes. However, the idea proved a non-starter. The TUC considered the strike weapon sacrosanct, and remained hostile to any impingement upon the principle of free collective bargaining.⁶⁶

Lloyd George was attracted by an alternative proposal to secure industrial peace and solve the wages question, presented to him by a group of radical Liberals in May 1912. They urged that the 'general principle of a

living wage for every worker', together with an extension of wages board machinery to agriculture, should be implemented.⁶⁷ Recognising that the former policy was too radical for his Cabinet colleagues, Lloyd George turned his attention to the land, the traditional rallying-cry of radicals.

The plight of the agricultural worker was to form the centrepiece of the 'land campaign'.⁶⁸ Lloyd George recognised the opportunity to seize the political initiative from both the Conservatives and the labour movement, and resuscitate Liberal fortunes. Asquith's government had become unpopular by 1912. A multitude of factors contributed to this impasse. Firstly, the extent of industrial unrest appeared unprecedented to contemporaries, and influential middle-class electors felt a periodical sense of national crisis. In addition, 'old' Liberal policy throwbacks to the 1891 'Newcastle Programme', such as Irish Home Rule and Welsh Church Disestablishment, which forced themselves upon ministers after 1910, on account of their new-found dependence on the votes of MPs from the 'Celtic fringe', offered little prospect of winning Asquith's government popularity amongst English voters. Governmental indecision over the women's suffrage question hardly-aided the Liberal party's image, whilst the emerging Marconi scandal aroused suspicions of 'sleaze' within the highest echelons of the Cabinet.

The weakening of Lloyd George's political stature, as a result of the Marconi affair, was accentuated by the initial unpopularity of his great National Insurance Act of 1911. In order to build up the Insurance Fund, contributions were extracted from wages in July 1912, six months before the first sickness and unemployment benefits could be claimed by workers. The Conservatives made much political capital out of this, reminding low-paid

agricultural workers, in particular, of the burden of contributions.⁶⁹ Lloyd George's followers hoped that a campaign intended to raise the condition of rural labourers would win the support of both working class electors, who recognised the depressive effect of low agricultural earnings on their own wages, and middle class Liberals, whose interests would not be harmed by a radical programme striking at the heart of the landed interest.

It was long acknowledged that agricultural workers were, in effect, sweated. The Board of Trade Earnings and Hours Enquiry into Agriculture found that, for all classes of farm worker, including the higher grades, in 1907, weekly earnings (including payments in kind) averaged only 18s. 4d. in England and exactly 18 shillings in Wales.⁷⁰ Even after making allowance for payments in kind,⁷¹ the low rents of rural dwellings and the opportunities available to country-folk to grow their own vegetables; contemporaries recognised that these earnings were pitifully low. In order to arrest the 'flight from the land' of young labourers, politicians were relatively sympathetic to the notion that the state should intervene in the rural wage market by 1912. Indeed, whilst the Coal Mines (Minimum Wages) Bill was being discussed in parliament, F.E. Smith, the future Lord Birkenhead, asked pointedly, 'is the agricultural labourer with his 15s. a week not quite as much as entitled to the privilege of a minimum wage as the miner who earns pounds a week?'⁷²

Although the agricultural minimum wage was the principal policy-initiative of the land campaign, it was intended merely as a remedy for the rural housing question, the main concern of Liberals. Radicals were keen to liberate rural workers from the tied cottage system; not only because of the squalid condition of many of the properties, but because the custom was

perceived as a social evil which perpetuated the subservience of the farm worker to the farmer and the landlord. However, if house-construction in the countryside was to be stimulated, radicals believed that market-levels of rent would need to be levied on the new properties. Only if rural workers were guaranteed a minimum wage could they afford this rent increase.⁷³

Reg Groves charged that Liberals, by their invective against reactionary landlords, were seeking to divert the attention of industrial workers away from their struggle with employers, themselves often Liberal.⁷⁴ Although this assertion was essentially correct, Edwardians recognised that the plight of rural workers affected the welfare of wage earners in every sector of the economy. Trade unionists shared Lloyd George's conviction that 'the wages in a good many trades and industries are lowered and pulled down by the fact that agricultural labour was underpaid. ... You cannot deal with agricultural labour as if it were merely a problem that affected the labourer alone.'⁷⁵ For example, the National Union of Dock Labourers complained that the influx of agricultural workers into the docks was intensifying the competition for labour and dragging wages downwards.⁷⁶ Likewise, Ben Tillett complained that during industrial disputes, blackleg labour was often recruited from amongst farm workers.⁷⁷ The Workers' Union justified its energetic recruitment drive amongst agricultural workers from 1913 on the following lines:

These men, crushed by low wages and other evil conditions are often compelled to go into industrial centres to find employment, and having no tradition of trades unionism to guide them, are too ready to undersell the town workers, who are constantly menaced by the low wage workers of the country.⁷⁸

Land reformers hoped that, if wages could be raised in the countryside, rural depopulation could be halted. This would deplete the influx of cheap unskilled labour in urban labour markets, which should raise wage levels, via the forces of supply and demand.

After securing the permission of Asquith,⁷⁹ Lloyd George established his own Land Enquiry Committee in July 1912, under the command of Seebohm Rowntree and C.R. Buxton.⁸⁰ Employing paid commissioners, the Land Enquiry Committee mounted a thorough investigation into rural labourers' wages and housing conditions, together with an analysis of the opportunities for agricultural development and tenancy, rating and taxation questions affecting farmers. This monumental study followed in the footsteps of previous sociological case studies into rural standards of living.⁸¹

Thus, the Land Enquiry Committee's findings tended to confirm what was already known about the condition of agricultural labourers, rather than shock the public with any new startling revelations. Nevertheless, the Enquiry illustrated the grim reality of 'sweated' wages earned by the majority of farm workers in England and Wales. Whilst average weekly earnings of agricultural labourers in the northern counties of Northumberland, Durham and Lancashire generally exceeded a pound a week, most farm workers in southern and eastern counties were not so lucky. The sixty-per cent. of ordinary rural workers who failed even to earn an average of eighteen shillings each week were overwhelmingly-concentrated in these districts. In Norfolk and Oxfordshire, average earnings for farm labourers lingered at around the fifteen shillings mark!⁸²

Farmworkers lacked bargaining strength. Local opportunities for alternative employment were frequently scarce, and trade union organisation proved difficult to nurture. Under these circumstances, Seebohm Rowntree concluded that 'a material improvement in the condition of the underpaid labourer can only be brought about by the intervention of the State.'⁸³ The Land Enquiry Committee recommended that,

Supply and demand are to be scrapped as a basis for wages. The standard wage is to be such a sum as will enable the labourer to keep himself and an average family in a state of physical efficiency and pay a commercial rent for his cottage.⁸⁴

J.A. Hobson's 'economy of high wages' dictum was used to support these arguments.

Do not let us ... be over-fearful of higher wages. It is a commonplace of economic science that low-paid labour is not in the long-run cheap labour. Even though a great addition may be demanded in the wages of the lower-paid men, it will not be a permanent net addition to the cost of production. The men will very soon begin to produce more - enormously more in some cases; and on many farms no doubt it will be found that labour can be better organised, so that each unit represents a greater value than before.⁸⁵

Land campaigners refuted the notion that unemployment would result from a raising of agricultural wages. In spite of inferior soil quality, in comparison with the south, farming remained prosperous in northern England, even though the greater opportunities for alternative employment meant that agricultural

workers were paid relatively high wages. 'If agriculture in the North can yield [a] living wage with reasonable profit, why not elsewhere?'⁸⁶

During a series of Cabinet meetings in October 1913, Lloyd George, after first winning over Asquith, Sir Edward Grey and Richard Haldane, convinced his colleagues of the merits of the Land Enquiry Committee's proposals. Even sceptical ministers, such as Walter Runciman, the Minister for Agriculture, were brought round in support of agricultural minimum wages.⁸⁷ Although Charles Hobhouse feared that the granting of a minimum wage to agriculture would 'unquestionably compel a similar or even immediate determination of minimum wages in all other trades in the United Kingdom',⁸⁸ there

were no other effective plans to revive the Liberals' popularity and his colleagues had little option but to trust Lloyd George to repeat his feat of 1909. But the Cabinet's acquiescence was also a tribute to the diligence of the Enquiry's research and convincing nature of the programme they had produced.⁸⁹

However, the Cabinet had not yet committed itself to a precise outline of agricultural minimum wage legislation by the summer of 1914. The Ulster crisis and mounting international tension served to shunt Cabinet consideration of land campaign issues into a corner after the autumn of 1913.⁹⁰ The Land Enquiry Committee intended their proposals to provide the blueprint for the government's next term in office, and the basis of its appeal to the country in an election due before December 1915.

Ministers were nevertheless wary of the Land Enquiry Committee's recommendation that agricultural minimum wages should be fixed according to a physical efficiency standard. Even C.R. Buxton recognised that 'a certain amount of latitude as to the basis of a minimum wage will be inevitable at first, and the wages boards cannot, in practice, be prevented from taking into account "what the industry will 'bear'", even though the result, for a time, should be less than a 'Living' wage.'⁹¹ As a first step, the Government intended 'to fix the minimum at at least the highest rate prevailing in the area.'⁹² Thus, as with the trade boards precedent, the state was not to ascribe specific minima, in spite of Lloyd George's desire that a national weekly wage figure be set as a guideline for local wage-fixing bodies.⁹³ Furthermore, ministers considered the ordinary laws of supply and demand sufficient to provide adequate wages in the majority rural districts in northern England. Wages boards were earmarked principally for Welsh and southern and eastern English counties, where wage-rates were lowest. For Scotland, where agricultural workers' earnings were generally higher, and where socio-economic relations between farmers and labourers tended to be closer, the separate Land Enquiry Committee had made no mention of a minimum wage.⁹⁴

Labour Party strategists, whilst recognising the underlying relevance of the issues Lloyd George was raising to the welfare of urban workers, did not consider it prudent to do the Chancellor's bidding. After all, most historians agree on the failure of the Land Enquiry Committee's Urban Report (see below) to match the impact its rural counterpart achieved. The Labour Party lacked a base upon which to mount an effective appeal to rural labourers. Prior

to 1914 secure-rooted trade union organisation and ILP branches were almost non-existent amongst agricultural constituencies. The stance of the *Daily Herald* epitomised the ambivalent attitude of the labour movement towards Lloyd George's land campaign:

Let Labour see to land reform by all means, but we hope it will not forget that the majority of British workers are industrial workers and that the Liberal manufacturer has as bad a record for sweating and oppression as has the Tory squire.⁹⁵

Nevertheless, from the moment the Trade Boards Act reached the statute book, the ILP, the Labour Party and the TUC were all persistent in their appeals to the government to incorporate agricultural workers within its remit. Moreover, the ILP, motivated both by a long-held interest in land issues and a perennial concern for labour movement independence from the Liberals, pressurised the Labour Party into establishing its own committee of enquiry into rural problems in August 1912.⁹⁶ The committee was chaired by George Roberts, the Norwich MP who had long-championed the cause of the agricultural worker within the Labour Party.

Labour's Land Committee issued an interim memorandum in May 1913. It advocated a minimum wage for agricultural labourers, fair rent courts, the extension of the Smallholdings and Allotments Act 1907, the establishment of rural credit banks under state authority, and the fostering of co-operative agricultural methods.⁹⁷

After completing a fact-finding tour to Denmark during the autumn of 1913, the committee published its final report in January 1914.

In the event, apart from a commitment to eventual land nationalisation, Labour's proposals were very similar to those advocated by the Liberals! However, the Labour Party did at least place some of its proposals before the Commons. George Roberts secured a first reading for his Agricultural Labourers (Wages and Hours) Bill on 27 May 1913. It proposed that county boards be established nation-wide for the purpose of fixing minimum wages and regulating hours. Central government was to refrain from setting a wage figure, but county boards were to fix wages 'of such a standard as to ensure to the agricultural labourer the possibility of maintaining himself and his family in a state of decency and comfort.'⁹⁸

By August 1914, organised labour had enjoyed localised successes in winning minimum weekly wage guarantees from farmers, via collective agreements in some agricultural districts.⁹⁹ However, despite sporadic local victories won before the First World War, contemporaries recognised that agricultural trade unionism was too limited in its coverage amongst the huge, but sparsely-distributed, workforce to win higher wages for the majority of rural labourers. Statutory intervention appeared to provide the only means for securing a general rise in the rural labourer's condition.

The Conservative Party held no such certainties. Although their *Campaign Guide* of 1914 rejected further minimum wage legislation as destructive of freedom of contract,¹⁰⁰ the Party's National Union Executive Committee minutes betray that leadership thinking on the agricultural minimum wages question was still in a state of flux by July 1914. Nine months after Lloyd George had launched his land campaign, Arthur Steel-

Maitland, the Tory Chief Whip, replied to a request for a clarification of the official Conservative response: there was 'no Unionist policy yet laid down on these matters but he was ready to pass on any suggestions made'.¹⁰¹ It appears that the Tory leadership was waiting upon the reaction of farmers to Lord Salisbury's Conservative agricultural committee proposals before adopting a fixed policy on the question.¹⁰² Salisbury's committee bowed to the instincts of the National Farmers Union and avoided any commitment to an agricultural minimum wage. Instead, it favoured a *voluntary* uprating of wages by farmers in the poorer-paid districts.¹⁰³

The Duke of Marlborough declared against any legislative interference in wage-determination and argued that, 'as a general rule, rural labour receives about as much as it is worth'.¹⁰⁴ Walter Long, representative of the traditional Tory squire, was bitterly opposed to Lloyd George's agricultural minimum wage policy.¹⁰⁵ Of course, landowners, like farmers and agricultural labourers, could not be stereotyped into a homogenous mould of interests or political opinions. For instance, F.C. Arkwright, a Derbyshire landowner, endorsed the principle of a minimum wage for farm workers.¹⁰⁶ However, it seems that farmers and landowners alike remained wary of Lloyd George's proposals, in spite of the fact that the Liberals proposed reforms intended for the benefit of tenant farmers, at the expense of the landowner; such as fixed tenure guarantees and rent tribunals.¹⁰⁷

Andrew Bonar Law, the Tory leader, preferred to pay the land campaign as little attention as possible, and exploit both his party's 'Unionist' credentials and the government's discomfort with regard to the mounting crisis in Ulster, caused by the imminent enactment of the Irish Home Rule Bill.

Indeed on 30 October 1913, Steel-Maitland instructed Conservative candidates in the constituencies to concentrate on Ulster in their speeches, and ignore the land campaign!¹⁰⁸

Bonar Law's inert reaction to Lloyd George's populist crusade prompted a section of his party to write a letter of protest on 8 November 1913. They asserted that an 'attempt simply to ignore the land problem cannot in the nature of things meet with success ... The agricultural voter might be inclined to think that he had to choose between sacrificing Ulster and sacrificing his own private interests.'¹⁰⁹ The fifteen signatories to the letter comprised the membership of the Agricultural sub-committee of the Unionist Social Reform Committee (USRC). This unofficial ginger group was established under the chairmanship of F.E. Smith in the spring of 1911. Its membership included relatively youthful MPs who believed that the Conservatives must embrace a coherent social programme, in order to re-capture the Tory working-class voter lost in the 1906 and 1910 elections. Jane Ridley has described their ideology as an intriguing 'synthesis of traditional toryism, Fabian socialism and contemporary ideas about rural regeneration'.¹¹⁰ From 1912, sub-committees of the USRC produced reports recommending an advanced health policy, educational reform and a major overhaul of the Poor Law.

Christopher Turnor, an enlightened and somewhat eccentric Lincolnshire landowner, chaired the agricultural sub-committee. Turnor's sub-committee upstaged the official launch of Lloyd George's land campaign by publishing *A Unionist Agricultural Policy*, a six-penny pamphlet selling over 3,000 copies during its first week of publication in September 1913. The report echoed the arguments of Liberals who maintained that low wages in

agriculture suppressed *all* wages: agricultural wages boards were advocated to raise the wages of unorganised farm labourers to subsistence level.¹¹¹ Most strikingly, *A Unionist Agricultural Policy* proposed that the state should bear the burden of the higher wage bill imposed on farmers, via higher personal income tax rates. The Liberals proposed that the landowner should shoulder the burden, via rent rebates to farmers. Although no group of Conservatives would dare to propose that landowners pay for the cost of granting farm workers a living wage, it is surprising that progressive taxation, rather than tariff revenues, was chosen as the alternative means of financing the policy.¹¹² Nevertheless, by placing the burden of the agricultural minimum wage on upper middle class income tax payers, the USRC could ensure that 'plutocratic' supporters of Lloyd George, such as the Rowntree, Cadbury, Lever and Montague families, would not be spared the cost of financing their own policies! The USRC's proposals provide clear evidence of a certain parallel between the extent to which advanced Tories and socialists were prepared to utilise the resources of the state, when events were considered to necessitate such bold action, to an extent to which Liberals balked at. However, only after 1914 would this phenomenon be put to the test.

Above all, the purpose of *A Unionist Agricultural Policy* was to educate and influence a sceptical Conservative party rather than to highlight the policy amongst the wider electorate.¹¹³ However, mainstream opinion within the Conservative Party disagreed with the USRC's contention that an agricultural minimum wage was in no way in 'conflict with historic Tory doctrines'. In vain did Turnor's committee assert that the

principle of Toryism is not that freedom of contract cannot be interfered with under any circumstances, but that it should not be interfered with unless the policy of allowing such freedom has failed to produce desirable results from the point of view of the State. In case of agricultural wages ... the policy of *laissez-faire* has produced results inimical to the race[.]¹¹⁴

Tories from the shires resented these younger urban Conservative social reformers interfering in rural matters. Despite the gradual weakening of the influence of the 'squirearchy' within the Tory Party during the late Victorian and Edwardian period, it was roused when reforms threatening its interest appeared on the political agenda. Not surprisingly, both attempts by John Hills to present the USRC's minimum wage proposals to the Commons, via the Agricultural Employment Boards Bill, in May 1913 and April 1914, failed to progress beyond the first reading stage. After all, none of the three main political parties had an interest in securing its success. Either they wanted to publicise their own proposals, as in the case of the Liberal and Labour Parties, or they disliked the principle of an agricultural minimum wage, as with the bulk of Hills' own party.

In the constituencies, Conservatives concentrated upon the prospect of higher prices, the threat of unemployment, and an end to valuable payments in kind they considered likely if farmers were to be subject to minimum wage legislation.¹¹⁵ In fact, the contention that benevolent social reforms sometimes rendered worse the position of those for whom the legislation was intended to benefit was perhaps the Conservatives' strongest argument in answer to the land campaign. After all, National Insurance contributions bore heavily on

agricultural workers. The Conservatives exploited statements made by Liberal land reformers effectively, and argued that, as the 'increased wage to the labourer will really be paid over to the landlord', agricultural labourers 'are not to have any more money to spend on themselves'.¹¹⁶ This was a salient rebuttal to Lloyd George's propagandising, given that Liberals proposed to raise farm workers' wages primarily in order that they would be able to afford an 'economic', i.e. higher, rent for their cottage. However, the Conservative Party failed to exploit this argument to any degree.

The Land Enquiry Committee published its Urban Report on 2 April 1914. Although the housing question was again the foremost concern for Liberals, the Report proposed a minimum wage

for all low-paid wage-earners, and that the minimum wage fixed under such a statute shall ... not be less than the sum required to keep a family of normal size in a state of physical efficiency, and to enable them to pay an economic or commercial rent for a sanitary dwelling.¹¹⁷

Thus, under the Land Enquiry Committee proposals, wages boards were to be established for the lowest-paid workers in the towns, as well in rural districts of England and Wales. The Industrial Unrest Sub-Committee of the Unionist Social Reform Committee, chaired by John Hills, also produced a similarly radical report in the summer of 1914. The *Industrial Unrest: a Practical Solution* report proposed

the substitution of a genuine system of arbitration for the solution of labour disputes, and the recognition of a standard minimum wage in

specified industries as a first instalment of the general extension of such a principle to all classes of labour alike.¹¹⁸

Alas, not only did the proposal stand no chance of being accepted as Conservative Party policy; the report was also published too late to have any impact upon public debate. The government had yet to pronounce in favour of urban wages boards before international and Irish crises dominated Cabinet meetings from the end of June 1914.¹¹⁹ Therefore, by the outbreak of hostilities on 4 August, the urban land campaign had not enjoyed a chance to win popularity amongst electors.

The logical consequence of the urban and rural land campaigns was for the Liberal government to institute district wages boards throughout England and Wales. The Labour Party, with the TUC's blessing, was already committed to such a policy. Granted that counter-factual speculation is a futile exercise, it is worth bearing in mind that had war not broken out in 1914, it is likely that the Liberals, for so long identified as the guardian and champion of *laissez-faire* ideology, would have committed themselves to an urban and rural minimum wage. As the *Daily Citizen* noted in 1914, the 'principle of the legal minimum wage has made astonishing progress since the passing of the Trade Boards Act in 1909.'¹²⁰ Thus Frederick Banbury's fear that, 'if the amount of wages paid to the agricultural labourer is to be fixed by the State it follows that the amount of wages paid in every industry in the country must be so fixed',¹²¹ appeared close to realisation by the summer of 1914.

Had the Liberals won the election due in 1915, a *de-facto* minimum wage for all could well have been established in 1916, just twenty years after

J.A. Hobson first called for one. As one historian has noted, this would have provided 'a degree of retrospective unity to their social policy through an assault on low wage poverty.'¹²² The Liberals' electoral prospects depended more upon the health of the 'progressive alliance' with the Labour at constituency level than the resurgence of Conservative Party morale as a result of the Ulster crisis. Thus, a commitment by the government to establishing a minimum wage for all unorganised workers would have chimed in well with the priorities of the Labour Party, which was then not strong enough to make a lone bid for power.

However, this *de-facto* minimum wage for all would not have been a uniform national minimum wage, such as the thirty shillings policy championed by Will Crooks. Nor would 'living' minimum wages for all be established, along the lines advocated by Hobson. Instead, district wages boards, composed of local representatives from both sides of industry, would have been established nation-wide, to fix a minimum wage rate based on those paid by reputable employers. These minima would provide a 'floor' to wages for those workers too weak to organise themselves into trade unions and thereby win for themselves a living wage. The two main parties, and certainly the labour movement, wished to avoid any interference with the structure of collective-bargaining wage determination that delivered relatively high wage rates in the organised sectors of the economy.

By 1914, there was an emerging consensus in favour of legal minimum wage machinery, amongst radicals within all three mainstream British political parties, to encompass workers left unprotected by trade union coverage. Of course, this collectivist-minded consensus in favour of a general minimum

wage policy did not embrace all members of the parties. Liberals of a more traditional economic outlook, and 'collective self-help' trade unionists, shared, with the clear majority of Conservatives, a discomfort with the notion of any further legislative forays in the direction of a minimum wage, save for a modest expansion in the number of trade boards.

Thus, there was a gulf separating the rhetoric of politicians advocating a living wage for all workers and the wages boards policies they proposed to achieve this objective. Once it is understood that politicians favouring a national application of minimum wage machinery advocated only a watered down 'what the trade can bear' minimum wage policy, it is possible to understand why so many moderate, mainstream Edwardians, especially amongst the Liberal Party, could endorse the policy by 1914. To their mind, all that was being supported was a major extension of the trade board machinery, which was widely perceived as a success. Armed with this understanding of what contemporary politicians understood by the term 'national minimum wage', i.e. a national application of local minimum wage machinery, it is possible to dispute J.R.Hay's assertion that a 'substantial body of opinion' within the Liberal Party was opposed to such a policy in 1914.¹²³

The trade boards precedent enabled ministers to grasp at similar machinery as a means of resolving the miners' strike in 1912. Once the largest and most powerfully organised group of workers had been granted statutory minimum wage protection, there were few ideological barriers in the way of granting wages boards to all occupational groups. Although the outbreak of the First World War killed off the land campaign, the following chapter will discuss the similar *ad hoc* development of minimum wage regulation after

1914, and the emergence of 'reconstruction' polices, which were to herald the similar prospect of a minimum wage for all in 1918.

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¹ See Alan Armstrong, *Farmworkers. A social and economic history 1770-1980* (1988), p. 138.

² Philip Snowden, *The living wage* (1912), p. 23.

³ *Daily Dispatch* article by Hubert Bland, a Fabian, 5 Jun. 1912, Gertrude Tuckwell Collection, 6/219/39.

⁴ Cabinet paper on 'The present unrest in the labour world' (27 Jul. 1912), University of Newcastle Library, Walter Runciman Collection of Papers (WR), 47.

⁵ A.L. Bowley & A.R. Burnett-Hurst, *Livelihood and poverty. A study in the economic conditions of working class households in Northampton, Warrington, Stanley and Reading* (1915), Table VII, p. 33.

⁶ *Ibid.*, Table IX, p. 40. And although this study was not published until 1915, Bowley's main arguments were widely known in the late-Edwardian period. For instance, in *The living wage*, Snowden used figures given in a lecture by Bowley in 1911 to illustrate the extent of poverty, pp. 28ff.

⁷ Bowley & Burnett-Hurst, *Livelihood and poverty*, p. 42.

⁸ The National Union of Boot and Shoe Operatives and the Workers' Union were notable amongst trade unions concentrating upon winning minimum weekly earnings, rather than merely piece-rates, for their members. See Alan Fox, *A history of the National Union of Boot and Shoe Operatives 1874-1957* (Oxford, 1958), pp. 279ff, and Richard Hyman, *The Workers' Union* (Oxford, 1971), pp. 50-61.

⁹ Sidney Webb, *The Legal minimum wage* (ILP/Fabian Society, 'War Against poverty' pamphlet, 1912, copy held in Harvester Press, *Archives of the Independent Labour Party. Series I: Pamphlets & Leaflets*, 1912/57) p. 12.

¹⁰ See resolution and debate at the 1913 TUC, *46th Annual Congress Report*, pp. 246-47, 262-66. For replies to circulars sent out by the TUC Parliamentary Committee regarding the unions' success in this campaign, prior to August 1914, see TUC, *47th Annual Congress Report* (1915), pp. 141-44.

¹¹ The following paragraphs detailing the background to, and the passage of, the 1912 Coal Mines (Minimum Wage) Act, up until the end of the 1st paragraph on p. 89, are based on earlier work appearing in Stuart Carter, "An experiment and a revolution. The issue of minimum wages in the Edwardian period" (University of Newcastle upon Tyne, unpublished MA dissertation, 1996), Chapter Three.

¹² See J.E. Williams, *The Derbyshire miners. A study in industrial and social history* (1962), pp. 173-74.

¹³ For brief summaries of the abnormal places controversy, see J.W.F. Rowe, *Wages in the coal industry* (1923), pp. 102-3, and N. Edwards, *History of the South Wales Miners Federation Vol. I* (1938), p. 33.

¹⁴ Rowe, *Wages in the coal industry*, p. 103.

¹⁵ Cited in R.P. Arnot, *The miners: years of struggle. A history of the Miners Federation of Great Britain* (1949), p. 80.

¹⁶ For a full breakdown of the varied district daily minima claimed by the MFGB, see *ibid.*, p. 92.

¹⁷ Cited in *ibid.*, p. 98. See also Asquith's speech to the Commons, 21 Mar. 1912, *35 H.C. Deb.* 5s. col. 2091.

¹⁸ See, for example, speech of Edwards in the Commons, *ibid.*, col. 2097.

¹⁹ W.H. Renwick, "The coal crisis", *Nineteenth Century and after*, 71 (1912), p. 381.

²⁰ See Crawshaw's letter (dated 11 Mar. 1912) to his MP, Walter Runciman, Minister for Agriculture, University of Newcastle Library, WR, 63.

²¹ See Cabinet memorandum drafted by R.A.S. Redmayne, the Chief Inspector of Mines, "Methods of settling wage questions in the coal-mining industry. Comparison between the north of England and South Wales" (Home Office, 4 Mar. 1912), *ibid.*

²² See 35 *H.C. Deb. 5s.* col. 2135 (21 Mar. 1912). But perhaps this was not such an effective point as many of the opponents of the bill also disapproved of the payment of MPs.

²³ *Ibid.*, cols. 2110-11.

²⁴ 35 *H.C. Deb. 5s.* col. 2078 (21 Mar. 1912).

²⁵ *Ibid.*, col. 1735 (19 Mar. 1912).

²⁶ 'Lucien' article, "The Minimum Wage. Is it possible?", 23 Mar. 1912 edition, Gertrude Tuckwell Collection, 6/219/29.

²⁷ John Ramsden (ed.), *Real old Tory politics. The political diaries of Sir Robert Sanders, Lord Bayford, 1910-35* (1984), diary entry for 19 & 20 Mar. 1912. pp. 42-43.

²⁸ *Ibid.*, p. 43.

²⁹ A.R. Griffin, *The miners of Nottinghamshire. A history of the Nottingham Miners Association. Vol. I 1881-1914* (1955), p. 167.

³⁰ For a breakdown of the ballot figures, see J.E. Williams, *The Derbyshire miners*, p. 430.

³¹ TUC, 45th *Annual Congress Report*, 1912, p. 49

³² Rowe, *Wages in the coal industry*, p. 104.

³³ See Edwards, *History of the South Wales Miners Federation*, pp. 64-65. A more generous award was given for Derbyshire, see Williams, *Derbyshire miners*, p. 435.

³⁴ *Justice*, 20 Jul. 1912, Gertrude Tuckwell Collection, 6/219/41.

³⁵ 35 *H.C. Deb. 5s.* col. 1732 (19 Mar. 1912).

³⁶ *Ibid.* col. 2097 (21 Mar. 1912).

³⁷ *The Nation*, 20 Apr. 1912, Gertrude Tuckwell Collection, 6/219/37. Philip Snowden maintained that, 'if it be right that the State should guarantee to certain workmen a minimum wage, it is right that it should guarantee it to all other workmen.' See 50 *H.C. Deb. 5s.* col. 466 (13 Mar. 1913).

³⁸ See Cabinet memorandum, "Industrial unrest" (Board of Trade, 13 Apr. 1912), pp. 6-7, 15, University of Newcastle Library, WR, 63.

³⁹ Clegg, Fox & Thompson record that the 1906 Wage Census showed average male weekly wages at around 29 shillings. See *A history of British trade unions since 1889. Volume I 1889-1910* (Oxford, 1964), p. 480.

⁴⁰ For the debate, see 24 *H.C. Deb. 5s.* cols. 1881-1924. A second such resolution was introduced by Crooks on 9 Apr. 1913. See 51 *H.C. Deb. 5s.* cols. 1280-1323.

⁴¹ ILP, *Report of the 20th Annual Conference*, 1912 (Harvester Press, *Archives of the ILP, I*, 1912/33) p. 19.

⁴² For example, minimum wage enthusiasts amongst the Liberal and Conservative back-benches, such as Percy Alden and R.A. Cooper, respectively, though happy to sponsor an expansion of the trade boards system, considered the thirty shillings national minimum wage policy too sweeping. See 51 *H.C. Deb. 5s.* cols. 1304-12 (9 Apr. 1913) & 34 *H.C. Deb. 5s.* cols. 73-80 (15 Feb. 1912), respectively.

⁴³ See TUC, 45th *Annual Congress Report*, p. 236. Beatrice Webb noted in her diary that 'The ordinary Trade Unionist has got the National Minimum theory well fixed in his slow solid head'! See Margaret Cole (ed.), *Beatrice Webb's diaries 1912-1924* (1952), p. 5 (diary entry for 5 Sept. 1912).

⁴⁴ Prior to 1912 the TUC reserved any endorsement of the thirty shillings minimum wage for public employees in the London district only. See, for example, TUC, 44th *Annual Congress Report*, 1911, p. 241.

⁴⁵ TUC, 46th *Annual Congress Report*, 1913, pp. 267, 244 & 246-47 respectively.

⁴⁶ Adrian Vinson, "The Edwardians and poverty: towards a minimum wage?", in D. Read (ed.), *Edwardian England* (1982), p. 81. Indeed, recognising that a minimum wage figure unrelated to movements in the cost of living was of little use, the TUC dropped the policy after 1916, as a result of wartime inflation.

⁴⁷ *The living wage*, p. 134.

⁴⁸ Cited in Sheila Blackburn, "The problem of riches: from trade boards to a national minimum wage", *Industrial Relations Journal*, 19 (1988). p. 127. For further analysis of Tawney's hostility towards a national minimum wage, see S. Blackburn, "A very moderate socialist indeed? R.H. Tawney and Minimum Wages", *Twentieth Century British History*, 10 (1999), pp. 107-36.

⁴⁹ See his article in *Co-operative News*, 30 Nov. 1912, Gertrude Tuckwell Collection, 6/223/17.

⁵⁰ See Fabian Society, *The case for a legal minimum wage* (1906, Fabian Tract no. 128), p. 15.

⁵¹ Instead, he favoured 'both Trade Boards (where the workers in the trade wish to have them) and giving the force of law to Collective Agreements (where the Trade Unions are strong enough to get satisfactory ones).' See Sidney Webb, *The legal minimum wage*, pp. 9-11.

⁵² See *Fabian News*, Feb. 1913, Gertrude Tuckwell Collection, 6/218/16.

⁵³ See TUC, 44th *Annual Congress Report*, 1911, pp. 241-42. Mary Macarthur sponsored the resolution.

⁵⁴ See War Against Poverty campaign, *The case for a National Minimum* (Harvester Press, *Archives of the ILP*, I, 1913/9). However, in spite of the recognition by some Edwardians (notably the economist, Professor A.C. Pigou, and the Fabian, Maud Pember Reeves, in "The principle of the minimum wage", *Nineteenth Century and after*, 73 (1913), pp. 646-48 & *Round about a pound a week* (1913), respectively) that a minimum wage for an individual worker did not necessarily provide a minimum income for his household, the War Against Poverty campaign stopped short of advocating a policy of family allowances, the 'endowment of motherhood'. This was probably because the TUC remained wedded to the principle of a 'breadwinner' living wage, calculated on the assumption, largely inaccurate, that the 'typical' adult male worker supported a wife and three children. The relationship between the family allowances issue and the minimum wage will be explored below, in Chapter Five.

⁵⁵ See 51 *H.C. Deb.* 5s. cols. 1304-9, and 34 *H.C. Deb.* 5s. cols. 71 & 130 respectively.

Alden's proposal for trade boards in every trade was in response to Crooks' 30s. Motion.

⁵⁶ See Robert Cecil's welcome for Sydney Buxton's decision to extend the trade boards to a further handful of trades in 1913, 50 *H.C. Deb.* 5s. col. 533 (13 Mar. 1913).

⁵⁷ See the speeches of Henry Cavendish-Bentick and Leslie Scott to the Commons on 9 Apr. 1913, 51 *H.C. Deb.* 5s. cols. 1312 & 1322, respectively.

⁵⁸ See *Liverpool Post*, 20 Jan. 1914, Gertrude Tuckwell Collection, 6/220/33.

⁵⁹ For the debate on Cooper's Bill, see 62 *H.C. Deb.* 5s. cols. 1134-36 (13 May 1914).

⁶⁰ In 1914, J.A. Hobson called for a living wage 'as elastic as life itself' in *Work and Wealth*. Cited in A.J. Lee, "A study of the Social and economic thought of J.A. Hobson" (Unpublished PhD thesis, University of London, 1970), p. 431.

⁶¹ See, for example, Sheila Blackburn, "'A very moderate socialist indeed?'" pp. 131-34.

⁶² See *Manchester Guardian*, 28 Oct. 1913, Gertrude Tuckwell Collection, 6/220/32.

⁶³ See *The living wage*, p. 170.

⁶⁴ For a discussion of this issue and the text of the new resolution, see TUC, 42nd *Annual Congress Report*, 1909, p. 89.

⁶⁵ See *Cabinet Reports by Prime Ministers to the Crown 1868-1916* (Harvester Press, 1974), 4 Jun. 1912, microfilm reel 12.

⁶⁶ See the hostile reception given to George Roberts' 'Voluntary agreements to be legally enforceable' resolutions at the 1912 & 1913 TUC conferences, 45th & 46th *Annual Congress Reports*, pp. 239-42 & pp. 223-26, respectively.

⁶⁷ The 'Labour Unrest and Liberal Social Policy' paper presented to the aforementioned Cabinet Committee was signed by J.A. Hobson, L.T. Hobhouse, Joseph, Arnold and Seebohm Rowntree, Percy Alden and H.W. Massingham. See H.V. Emy, *Liberals, radicals and social politics* (Cambridge, 1973), p. 272.

⁶⁸ The following paragraphs, detailing the minimum wage proposals arising from the land campaign, up until the end of the 1st paragraph on p. 111, are based on earlier work appearing in Stuart Carter, "An experiment and a revolution", Chapter Four.

⁶⁹ See Harvester Press, *Archives of the British Conservative Party, Series I: Pamphlets & Leaflets*, 1912/38 & 1914/28.

⁷⁰ *Earnings and Hours of Labour Report. V. - Agriculture*, p. iii. Scottish agricultural labourers averaged 19s. 7d. per week. Extract contained in University of Newcastle Library, WR, 27.

⁷¹ Mark Freeman has argued that 'even if a rural household's income fell below the primary poverty line, it might not be in poverty, because of the persistence of charitable benevolence and mutual support systems in the countryside, where the cash-nexus had not wholly supplanted face-to-face social relationships.' See "The understanding of rural poverty, 1870-1914", The Economic History Society, *Annual Conference ... 1999*, pp. 61-66 (quotation

from p. 63). However, given the sheer scale of the problem, support in kind could not have fully compensated rural households for low earnings.

⁷² 35 *H.C. Deb.* 5s. cols. 2069-70 (21 Mar. 1912).

⁷³ B.S. Rowntree, "Rural land reform", *Contemporary Review*, 104 (1913), p. 618.

⁷⁴ Reg Groves, *Sharpen the sickle. The history of the Farm Workers' Union* (1981, 1st published 1949), p. 137.

⁷⁵ An extract from his Bedford speech, 11 Oct. 1913, see *The Times*, 13 Oct. 1913.

⁷⁶ National Union of Dock Labourers, *Executive Report*, 1907, p. 11, University of Warwick, Modern Records Centre (MRC), MSS. 126/NUDL/4/1.

⁷⁷ Dock, Wharf, Riverside & General Workers' Union, *Minutes of the Triennial Delegate Meeting*, Jun. 1914, p. 61, MRC, MSS. 126/DWR/4/3/1.

⁷⁸ *Workers' Union Record*, No. 9 (Jul. 1914), p. 1, MRC, MSS. 126/WU/4/2/1.

⁷⁹ John Grigg has suggested that 'Asquith's consent to Lloyd George's plans for a land campaign is perfectly understandable; he must have been relieved to see the Chancellor's radicalism diverted from the minimum wage issue in general to an issue altogether less controversial among Liberals of the solid sort.' *Lloyd George. From peace to war 1912-1916* (1985), pp. 38-39.

⁸⁰ Charles Roden Buxton, radical Liberal MP for Ashburton, Jan. - Dec. 1910. Later to become one of the many prominent Liberals to join the ILP and become a Labour MP, via the wartime Union of Democratic Control.

⁸¹ For instance, P.H. Mann's 1904 study of Ridgmount, Bedfordshire, and Maud Davies' study of Corsley, Wiltshire, 1906. See Alan Armstrong, *Farmworkers*, pp. 139-40.

⁸² See C.R. Buxton, "Minimum Wages for Agricultural Labourers", *Contemporary Review*, 102 (1912), p. 193.

⁸³ B.S. Rowntree, "Rural land reform", p. 618.

⁸⁴ "Advanced proof of the Report of the Land Enquiry Committee", University of Newcastle Library, WR, 74 (1).

⁸⁵ B.S. Rowntree, "Rural land reform", p. 619.

⁸⁶ So asked J.A. Hobson, before a meeting of the 'Rainbow Circle' on 12 Nov. 1913, see M. Freedon (ed.), *Minutes of the Rainbow Circle* (1989), p. 235.

⁸⁷ For an example of Runciman's lukewarm stance on this issue, see his pencil marks on a Cabinet memorandum, "Land" (dated 21 Aug. 1913), WR, 74 (2).

⁸⁸ See Cabinet memorandum on "The Land Question" (Oct. 1913), p. 3, WR 74 (2).

⁸⁹ Ian Packer, "Lloyd George and the Land Campaign 1912-1914", in J. Loades (ed.), *The Life and Times of David Lloyd George* (1991), p. 149.

⁹⁰ See *Cabinet Reports from Prime Ministers to the Crown*, microfilm reel 12, 1913-1914.

⁹¹ C.R. Buxton, "Minimum wages for agricultural labourers", p. 200.

⁹² Cabinet memorandum on "Alternative methods by which a Minimum Wage for Agricultural Labourers might be fixed", p. 7. Of course, this policy would not have eliminated 'poverty pay' in counties such as Oxfordshire and Norfolk, where both 'good' and 'bad' employers paid very low wages.

⁹³ See H.V. Emy, "The land campaign: Lloyd George as a social reformer, 1909-1914", A.J.P. Taylor (ed.), *Lloyd George: Twelve Essays* (1971), p. 52.

⁹⁴ Though Ian Packer has suggested that this absence was partly due to the stronger base and more traditional sentiment of Liberalism north of the border. See "The land issue and the future of Scottish Liberalism in 1914", *Scottish Historical Review*, 75 (1996), pp. 58-59. Ireland was excluded from the government's land campaign agenda because the proposed 'home rule' administration in Dublin would assume responsibility for Irish domestic affairs.

⁹⁵ *Daily Herald*, 21 Aug. 1912, cited in Michael Tichelar, "Socialists, Labour and the land: the response of the Labour party to the land campaign of Lloyd George before the First World War", *Twentieth Century British History*, 8 (1997), p. 135.

⁹⁶ For a good summary of the background to the establishment of the Labour Land Committee, see *ibid.*, pp. 137-39.

⁹⁷ *Ibid.*, p. 141.

⁹⁸ 53 *H.C. Deb.* 5s. col. 41. The Bill was also given a first reading on 13 Feb. 1914, albeit without a debate.

⁹⁹ For instance, see George Edwards' account of the Ormskirk district dispute in 1913, in *From crow-scaring to Westminster. An autobiography* (1922), p.185. In addition to the

efforts of the National Agricultural Labourers' and Rural Workers Union (NALRWU), the Workers' Union was also active in recruiting rural workers and fighting for district minimum rates in 1913-1914. See the monthly news reports in the *Workers' Union Record*, MRC, MSS. 126/WU/4/2/1.

¹⁰⁰ See Adrian Vinson, "The Edwardians and poverty: towards a minimum wage?", p. 81.

¹⁰¹ Harvester Press, *Archives of the British Conservative Party, Series II: Minutes & Reports*, Minutes of the N.U. Executive Committee, 1914, pp. 153-54 (9 Jul.).

¹⁰² See *ibid.*, pp. 138-39 (meeting of 23 Apr. 1914).

¹⁰³ See Salisbury's speech in the Lords, 21 Apr. 1914, 25 *H.L. Deb.* 5s. cols. 943-54.

¹⁰⁴ See his open letter to Winston Churchill, his cousin, reproduced as a penny pamphlet, *The Land* (1913), by the *Daily Mail*. Copy held in University of Newcastle Library, WR, 74 (1).

¹⁰⁵ See his Melksham speech of 25 Nov. 1913, reproduced in *The Liberal Magazine*, 21 (Dec. 1913), p. 719.

¹⁰⁶ *Liberal Magazine*, 22 (Apr. 1914), p. 212. Of course, because of the wealth of alternative employment in Derbyshire, farmworkers already received higher wages than the level the Government intended to force upon southern and eastern districts.

¹⁰⁷ See H.V. Emy "The land campaign", p. 60.

¹⁰⁸ This circular was leaked to the press. See John Ramsden (ed.), *Real old Tory politics*, p. 67, Robert Sanders' diary entry for 13. Nov. 1913. Nevertheless, in the same diary entry, Sanders noted the worry amongst West Country Tories at the popularity of the minimum wage proposal amongst farmworkers.

¹⁰⁹ Cited in Jane Ridley, "The Unionist Social Reform Committee, 1911-1914: Wets before the deluge", *Historical Journal*, 30 (1987), p. 410.

¹¹⁰ *Ibid.*, p. 391.

¹¹¹ *A Unionist Agricultural Policy*, 1913, pp. 6-12. Copy held in University of Newcastle Library, WR, 74 (1).

¹¹² Especially as social reformers within the Conservative camp tended to support tariff reform as a means of financing the measures.

¹¹³ See 96 *H.C. Deb.* 5s. cols. 724-25, for Leslie Scott's later admission of this fact, on 19 Jul. 1917.

¹¹⁴ *A Unionist Agricultural Policy*, p. 11.

¹¹⁵ See, for example, Harvester Press, *Archives of the British Conservative Party, Pamphlets & Leaflets*, 1913/23, *A warning to Agricultural Labourers about their earnings*.

¹¹⁶ See *ibid.*, 1914/105, *What Radicals really mean by the Minimum wage*. In this case, the utterances of Herbert Samuel, President of the Local Government Board in 1914, were seized upon.

¹¹⁷ Cited in *Daily Citizen*, 20 Jun. 1914, Gertrude Tuckwell Collection, 6/220/38.

¹¹⁸ Cited in *Manchester Courier*, 16 Jun. 1914, Gertrude Tuckwell Collection, 6/219/52.

¹¹⁹ See H.V. Emy, "The land campaign", pp. 65-66.

¹²⁰ *Daily Citizen*, 20 Jun. 1914, Gertrude Tuckwell Collection, 6/220/38.

¹²¹ 53 *H.C. Deb.* 5s. col. 42 (27 May 1913).

¹²² Adrian Vinson, "The Edwardians and poverty: towards a national minimum wage?", p. 88.

¹²³ See J.R. Hay, *The origins of the Liberal welfare reforms 1906-1914* (1975), p.53.

CHAPTER THREE

FROM 'TOTAL WAR' TO TOTAL MINIMUM

WAGE COVERAGE, 1914-1918

During the First World War, the incremental, almost accidental, advance of the minimum wage principle that occurred prior to 1914 was accelerated further. By 1915, it was apparent that the war was to place 'unprecedented demands upon the resources of conflicting nations, largely because of the size of the armed forces involved, the weapons they employed, the duration of the conflict and to a lesser degree its geographical spread'.¹ The demands of 'total war' could not be met by 'business as usual'; the conventional working of the economy along free market principles, tempered by minimal government intervention. The national emergency forced administrators to ignore and subvert classical economic 'laws' and lift 'the rigid fiscal constraints which, whatever the rhetoric, had held back the expansion of the Edwardian state.'² In order to reconcile the conflicting demands for manpower for the army *and* labour to produce the means to wage war, the state needed to control the production and distribution of the nation's resources. It was thus imperative that the state take the politically sensitive step of controlling the labour market. Extensive forays into wage regulation were a consequence of this undertaking.

This chapter will consider how the twin consequences of the need for 'dilution', the substitution of lesser-skilled male and female workers for skilled craftsmen in the munitions sector, together with the effects of inflation

on earnings, dragged government into an ever more extensive regulation of wages. Secondly, the granting of agricultural minimum wage machinery in 1917, in acknowledgement of the strategic importance of British food production to the war effort, will be reviewed. Thirdly, 'reconstruction' thinking evolving during the latter half of the war will be analysed. Reconstruction plans for permanent minimum wage for all policies compensated for the shelving, by the Liberal government, of similar proposals at the start of the conflict. The 1918 Trade Boards Act was intended to transform their status from sweating remedies applied on an exceptional basis, to substitute collective bargaining agencies applied across lesser-organised sectors of industry. Finally, the November 1918 Wages (Temporary Regulation) Act was to ensure universal minimum wage protection for almost two years after the armistice.

In August 1914, contemporaries believed that the war would be a short conflict, 'over by Christmas', and that unemployment would be its major consequence, as a result of the dislocation of trade markets in Britain and overseas. They were soon proved mistaken on both counts. Within two months, the mass enlistment of volunteers into the colours and the demands of the emergent war economy had combined to eliminate male unemployment. Although joblessness remained a problem, albeit a diminishing one, for women workers for a few months longer,³ the spring of 1915 witnessed the emergence of acute labour shortages for war work.

By 1917, the state had assumed full control of all key economic sectors, including the railway, coal mining, agriculture and cotton industries.

However, it was the shortage of skilled munitions workers that provided the spur to state intervention in the labour market in 1915. Nearly one-fifth of skilled engineering manpower had enlisted during the first year of the war. Nevertheless, in view of the pressing need for a massive expansion of munitions production, these workers were of much greater use to the war effort remaining in their jobs. Early in the war, both the Admiralty and the War Office issued badges to men engaged on vital production processes to exempt them from military recruitment, 'starred' workers.⁴

Even had skilled engineering workers remained at work, large-scale dilution would still have been required, in order to increase armaments production. However, the Amalgamated Society of Engineers (ASE), and other unions representing skilled craftsmen, feared that the influx of non-apprenticed male, and more especially, female, 'dilutees' would undermine forever their strategic bargaining position.⁵ The unions were convinced, with some justification, that employers saw the war as a golden opportunity to rid themselves of union-enforced workplace restrictions. Control over the pace of production was a central tenet of skilled union strategy,⁶ and the victories that organised labour had won in this field in the six decades prior to 1914 had been hard fought. Consequently, the two sides of industry were unable to agree on terms for female dilution.

It was clear to the government that for dilution to occur, it must intervene to cajole and reassure the trade unions that their interests would be safeguarded. However, trade unionists were as suspicious of state intervention in the labour market as much as they were wary of employers.⁷ This suspicion was magnified during wartime by their fear of industrial conscription, which

was as unpopular with organised labour as the principle of military conscription. Nevertheless, the government established the Committee on Production on 4 February 1915, as a means of resolving a pay dispute amongst engineering workers on the Clyde.⁸

Chaired by George Askwith, the highly respected Board of Trade conciliator, the Committee on Production had a reference

to inquire into and report forthwith, after consultation with the representatives of employers and working men upon the best steps to be taken to ensure that the productive powers of the employees in the engineering and shipbuilding establishments working for Government purposes shall be made fully available so as to meet the needs of the nation in the present emergency.⁹

Following its recommendation that restrictive practices should be relaxed and collective bargaining suspended on all government contracts for the duration of the war; Lloyd George was able to persuade engineering and shipbuilding unions to agree to these conditions at a series of conferences at the Treasury on 17-19 March 1915. In return, the 'Treasury Agreement' provided for the guaranteed restoration of trade union practices upon the cessation of the war and the substitution of a new system for the settlement of disputes. The role of the Committee on Production was enhanced to provide voluntary arbitration for the munitions industry.

However, the trade unions were dilatory in implementing the agreement at shop-floor level, partly because the government was dragging its feet with regard to its promise to control the soaring profits of munitions firms. Consequently, in July 1915, the government substituted legal enactment for

voluntary agreement by enshrining the Treasury Agreement into the terms of the Munitions of War Act. All workers in 'controlled establishments', private factories subject to state control for the duration of the war, numbering 20,000 by March 1918, were now subject to binding arbitration by the Committee on Production. As strikes were forbidden, local munitions tribunals were established to deal with matters of workshop discipline.¹⁰ 'Leaving certificates' had to be obtained by workers from their employers if they wished to change jobs. Naturally, this policy acted as a brake on wages as workers were trapped into working for their current employer for as long as his or her services were required. Understandably, the leaving certificate was extremely unpopular amongst wage earners, and the government eventually withdrew the scheme in October 1917.

The Treasury Agreement stipulated that dilutees should receive the 'customary rate' for the job. The ASE believed that it would be easier to flush women out of the engineering industry at the end of the war in favour of their members if women dilutees received skilled male wage rates, thus pricing themselves out of competition with men.¹¹ In June 1915, the ASE concluded a wartime alliance with Mary Macarthur's National Federation of Women Workers (NFWW) in June 1915. 'In return for assistance with recruitment, the NFWW was pledged to protect men's wage standards and to support the restoration of trade union practices and in particular the reinstatement of ASE members.'¹² In addition, the ASE held out for a guaranteed minimum wage for all women dilutees.

Female dilutees often failed to win the customary male rates for the job. Their entry into the engineering trades was accompanied by changes in

working practices. In Wightman's opinion, this phenomenon provided employers with the perfect excuse to deny female (and male) dilutees the 'customary rates' for the job. They argued that women dilutees were not directly substituting skilled male labour, and therefore had no entitlement to the skilled male rates. In 1915, the Engineering Employers Federation advised its members to pay women the district rates for male *youths*, rather than adults!¹³ Gail Braybon considered that employers had some justification for denying women customary rates, given the 'considerable changes in working practice, with the installation of new machines, the use of cranes, lifts and hoists, and the utilisation of male labourers, supervisors and tool setters.' Furthermore, she implied that male workers privately agreed with the employers' point, but fearing for their future wage levels, continued to protest their adherence to the principle of equal pay for equal work.¹⁴

Not for the first time during the war, the government found itself intervening in the labour market to settle anomalies caused by such previous intervention. Following the September 1915 TUC conference, where its President, J.A. Seddon, asserted that the 'only course to minimise any possible danger is to insist upon equal pay for equal work',¹⁵ the government established the Central Munitions Labour Supply Committee.¹⁶ Within a month, this committee had produced a series of schedules decreeing working conditions for dilutees. During October, the government issued Ministry of Munitions Circulars L2 and L3, which governed the wages of female and male dilutees, respectively, in 'National Factories', the state-owned munitions firms.

However, whereas the Central Munitions Labour Supply Committee had recommended a *minimum* time rate of £1 a week, Circular L2 fixed this

figure as a *specific* time rate.¹⁷ Moreover, the circulars failed to guarantee a minimum wage to all munitions workers, because, outside the National Factories, they were merely recommendations to controlled establishments. Only after the January 1916 Munitions of War (Amendment) Act did the government grant itself power to regulate rates of wages, and other industrial conditions, for all munitions workers. Tribunals were established for both male and female dilutees; the Special Arbitration Tribunal on Women's Wages was set up in March 1916.

However, the Ministry of Munitions issued no statutory rates until 'Order 447' of July 1916. This prescribed an hourly time rate of $4\frac{1}{2}d.$ for women on munitions work not recognised as men's, with an extra half-penny an hour for work of a dangerous character. Trade unionists protested that the four-penny hourly piecework rate, also guaranteed to women under the Order, was worth less than $2\frac{3}{4}d.$ at pre-war prices. Thus, Mary Macarthur had little trouble persuading the 1916 TUC Congress to endorse 'a national minimum wage for all women wage earners, which shall be at least sufficient to keep them in physical efficiency and in reasonable comfort.'¹⁸ Nevertheless, Christopher Addison, the deputy Minister of Munitions, insisted that Order 447 'would improve the wages of tens of thousands of women in this country' and mentioned that employers had lobbied him, complaining that the rates fixed were too high.¹⁹ Indeed, employers were unhappy with the 'rigidity' of this and subsequent Orders, claiming that rivals from both non-controlled establishments at home and American and Japanese competition abroad would undercut their competitiveness. Employers also 'urged that female labour was

of very little service for some months and pleaded for a lower probationary rate, or a scale rising with experience and merit.²⁰

Complaints soon reached the government that the statutory rates often failed to guarantee women earnings of twenty shillings a week. Because the £1 a week was calculated on the basis of the normal working week of men in the engineering trade, i.e. 53 or 54 hours, and women munitions workers tended to work a standard 48-hour week, employers could legally deny women the full twenty shillings 'minimum' wage. However, following 'strident nagging',²¹ the government proved responsive to the criticism and issued Order 888 in December 1916, which stated that '20s. should be the minimum for a 48 hour week and not, as heretofore, the standard rate for the working hours of the district'.²²

Even critics acknowledged the 'real and substantial improvement' in the wages of women made by the Ministry of Munitions.²³ Given the persistence of prejudices amongst male employers and workers, regarding the value of women's contribution to the labour market, it is likely that state wage regulation had beneficial effects upon the female workers concerned. Conversely, for skilled male workers engaged on work vital to the war effort, government regulation of wages actually *depressed* them below the level which could have been won under conditions of unregulated supply and demand. A Labour MP declared in 1919: 'our experience of compulsory arbitration has taught us that the Court is held in hell, and the devil is the presiding officer.'²⁴ William Beveridge articulated the view of government, when he wrote on 1 February 1917:

I stood for the impartial state. In peacetime the employers were generally top dog and so my business was chiefly to prevent the employer from exploiting his advantage unduly. In wartime the workman is top dog, and therefore my business (for the State) is to prevent the workman from exploiting his advantage unduly.²⁵

Wage regulation was undertaken primarily in the interests of the state, rather than the worker.

However, the effects of wartime inflation on the value of earnings eventually forced the state to intervene to secure wage standards for an ever-larger proportion of the workforce. Retail prices doubled during the First World War. Wage rate increases lagged behind this trend by a significant, albeit diminishing, margin throughout. Therefore, average real wage levels remained lower than the July 1914 standard until 1919 when wage-rate increases finally caught up with the proportionate increase in prices. However, from 1915, full employment, and the abundant opportunities for working overtime in many industries, conspired to keep *average household* earnings (just about) on a par with the increased cost of living.²⁶ Nevertheless, fatigue and overwork were consequences of this trend. As factory regulations were eased early during the war, many workers in key industries often worked over seventy hours during a seven-day working week. The government was concerned, by 1916, that by working excessive hours, many workers were endangering their health, and diminishing their productivity.²⁷

Naturally, the sharp increase in the cost of living, especially food prices, which tended to rise even faster than the general level of inflation, was

a principal concern of the labour movement's War Emergency Workers' National Committee. Labour MPs warned the government that the erosion of real wage levels was endangering the industrial truce.²⁸ Initially, the labour movement favoured government controls over the supply of food, fuel and other necessities, in order to stabilise prices, rather than wage increases matching the inflation rate.²⁹ As Will Anderson reminded the Commons; whilst powerful trade unions could flex industrial muscle in order to secure compensatory wage increases, lesser-organised workers, and working class households reliant on wartime separation allowances and Old Age Pension payments could not insure themselves against inflation.³⁰ Only after the government had persisted in following the 'stupid policy ... of expecting the working classes to assimilate the steeply rising cost of living',³¹ did the TUC, in 1917, call for a co-ordinated attempt to secure 'an increase in wages proportionate to the progressive increase in prices.'³²

Cost of living pressures had led to rent strikes on the Clyde. Rents formed the second largest outlay, after food, from working class household budgets. In response, government was again forced to intervene in the free market. On 25 November 1915, the 'rather apologetic'³³ President of the Local Government Board, the Tory squire, Walter Long, introduced the Increase of Rent and Mortgage Interest (War Restrictions) Bill to freeze increases of such. Frederick Banbury mocked the Bill as being conceived on the principle that 'Political Economy must be related to Saturn because we are at war'.³⁴ In a sense he had a point; if the state could determine rent levels, no ideological barriers stood in the way of it regulating wage or price levels in a similar manner.

By 1916, the Committee on Production was awarding systematic uniform, national flat-rate wage increases, 'to be regarded as war wages and recognised as due to and dependent on the existence of the abnormal conditions then prevailing in consequence of the war', i.e. higher prices.³⁵ The term 'war wages' was a compromise between the unions' demand for a 'rate advance' and the employers' desire to concede only a war 'bonus' on top of the normal wage, that would not have to be included in overtime calculations.³⁶ As Alan Fisher noted, the flat-rate 'war wage' advances 'made the transition to national negotiation easier, for in many cases there was no interference with old local variations in basic rates, on which were imposed the uniform national increases.'³⁷ They also provided a proportionately greater boost to the wages of the lower-paid grades of labour. Thus, for the first time, wages were determined with 'the human factor [taken] into consideration.'³⁸

We shall now move away from considering issues relating to wage regulation during the first half of the war, and discuss the fate of minimum wage policies between 1916 and 1918. The poor harvest of 1916, together with the impact of the German submarine offensive, forced the government to intervene to stimulate British food production. The 1917 Corn Production Act offered price subsidies to arable farmers and guaranteed all farm workers a minimum weekly wage of 25 shillings. A Central Agricultural Wages Board was established, with powers to determine pay and working hours.

This bold step was a far cry from the government's policy towards agricultural wages earlier in the war. By May 1916, farm workers' wages had risen, on average, by only half the rate of inflation.³⁹ Nevertheless, the fact

that farmers had conceded *some* advances in wage rates provided the justification for ministers to adhere to *laissez-faire* principles:

But on the whole the laws of supply and demand are acting much more freely than in ordinary times; and it is probably better to rely upon the continued upward movement in wages that may be expected to result from them, than to embark upon any immediate State action.⁴⁰

Sure enough, the laws of supply and demand helped induce about 150,000 male farm workers, fifteen per cent. of the agricultural labour force, to enlist in the armed services by July 1915,⁴¹ and thousands more to take up better-paid munitions work.

Agricultural trade unions did attempt to negotiate wage increases. In February 1916, farmers in Norfolk granted official recognition to the Agricultural Labourers and Rural Workers' Union (NALRWU), and agreed to a twenty shillings weekly minimum wage.⁴² However, outside Norfolk and Lancashire, agricultural trade unionism coverage was extremely patchy. The initial rush of volunteers for military service had drained the life-blood from the new union branches of 1913-1914. 'It has been estimated that NALRWU lost a quarter of its members by 1916, while the number of Workers' Union branches fell from 250 (1914) to 40 within two years'.⁴³ Nevertheless, outside Essex, Cambridgeshire and the Wessex counties, weekly agricultural wages in Britain had generally reached 25 shillings by 1917. In Scotland, where the Farm Servants Union enjoyed wider coverage than its English counterparts, weekly wages were generally in excess of thirty shillings.⁴⁴

Thus, by 1917, the 25 shillings minimum was of practical benefit only in isolated rural backwaters. Labour, and some Liberal, MPs argued in favour of a thirty shillings minimum, especially as the 25 shillings guarantee was *inclusive* of the value of allowances paid in kind.⁴⁵ Arnold Rowntree emphasised that inflation had reduced the value of 25 shillings to just 14*s.* 6*d.* at July 1914 prices.⁴⁶ Only after the Minister for Agriculture, R.E. Prothero, assured MPs that the 25 shillings figure represented ‘a minimum wage, the irreducible minimum, the datum line from which Wages Boards may work ... independent of the fall in prices’,⁴⁷ did he persuade the Commons to reject Labour’s thirty shillings amendment.

In view of the previous contentiousness of the policy within the Tory Party, it is interesting that the *principle* of an agricultural minimum wage proved to be less controversial than the *figure* proposed. The exceptional circumstances of wartime subdued opposition to the Bill. Admittedly, Frederick Banbury preferred wages to be settled by the law of supply and demand alone.⁴⁸ However, most potential opponents of the principle of agricultural minimum wages, on the Conservative side, were probably assuaged both by the urgent need to increase food production and the Bill’s scheme of price subsidies. Indeed, given that the minimum wage was fixed below prevailing wage levels, farmers gained more from the Act. In fact, the ‘bounties’ to be paid to farmers were unpopular amongst opposition Liberal and Labour MPs.⁴⁹

Robert Walker, leader of the NALRWU, was reluctant to place too much faith in the work of agricultural wages boards. He preferred to rely on organisation to secure for the farm worker better wages and conditions.⁵⁰ In

practice, however, Walker's own union, and the Workers' Union, seized upon the agricultural minimum wage machinery as their best hope of winning higher wages for farm workers. Indeed, the revival of agricultural trade unionism's fortunes coincided with the appearance of the Corn Production Bill. Aided by a further grant from the TUC towards organisation costs in 1917,⁵¹ NALRWU membership increased to 41,000 in 1918, 73,000 in 1919, and 93,000 in 1920. Even more dramatically, the agricultural membership of the Workers' Union nudged the 100,000 mark by 1920.⁵² Not surprisingly, this latter union seemed happy with the impact of state intervention into agricultural wage determination.⁵³

Undoubtedly, the Corn Production Act did much to raise the earnings of agricultural labourers, especially in those counties renowned^{al} for low pay. Comparing estimated earnings in 1914 with minimum wage levels in 1920-21, Alan Armstrong found that the three counties that enjoyed the highest advance were Oxfordshire, Suffolk and Norfolk. Furthermore, by 1921, minimum weekly wage rates in these three counties, at around 42 shillings, were less than four shillings a week lower than the three highest-paying counties, Lancashire, Durham and Northumberland.⁵⁴ However, as F.E. Green pointed out, winning the legal right to a certain minimum wage did not always guarantee that the worker received the specified sum. From a glance at inspection statistics, a relatively high number of farmers appeared to have disregarded the law.⁵⁵

Outside the munitions and cotton sectors, where female trade union coverage was relatively robust, women workers 'shared but to a small extent in

the upward movement of wages due to the war'.⁵⁶ The condition of women performing 'women's jobs' was largely overlooked during the First World War. Female clothing workers and shop assistants remained extremely poorly paid. Accordingly, the TUC demanded trade boards for the entire retail and clothing sectors.⁵⁷

However, trade board rates were an inadequate insurance against wartime inflation. Apparently, workers' representatives experienced difficulty in securing trade board meetings during the first two years of the war.⁵⁸ Only during August and September 1916, did the Tailoring and Shirt-making Trade Boards, respectively, increase their minimum hourly time rates for women, by a mere half-penny, to four-pence; a full two years into the war!⁵⁹ Not surprisingly, many women working for employers paying little or no more than the trade board minima voted with their feet and left their trade for better-paid munitions work.⁶⁰ Employers feared a permanent increase in minimum rates resulting from what could have been transient movements in price levels.⁶¹ According to the 1919 War Cabinet Committee Report on *Women in Industry*, this was because trade boards 'were unable to grant war bonuses as such, and therefore felt that they ought to base the minimum rates on normal and not the prevailing abnormal conditions.'⁶² Indeed, during the first decade of the trade boards' existence, neither workers' nor employers' representatives interpreted their power to *fix* minimum rates as anything other than sanction to *raise* them, given that their purpose was to combat sweating.

In March 1917, the Minister of Labour, John Hodge, after receiving a deputation from workers' representatives from the five trade boards of nationwide coverage,⁶³ instructed the boards concerned to raise their female

minimum rates immediately, by at least a half-penny an hour.⁶⁴ However, Hodge confirmed, to a deputation of employers on 3 May, that he was *not* demanding that trade boards should 'level up the present minimum rates to the full extent of the increased cost of living, i.e. to the effect of 65%.' Accordingly, employers' representatives from the five trade boards met on 15 May to co-ordinate strategies for conceding only token advances.⁶⁵ Noting, with concern, that employers on the Tin Box trade board had been forced into granting a $\frac{3}{4}d.$ increase in the minimum hourly rate, raising the new minimum for women to $4\frac{1}{2}d.$, the employers agreed to limit the hourly increases to a half-penny. 'It was also agreed that in the event of a rate higher than $\frac{1}{2}d.$ per hour being passed by the remaining Trade Boards the Employers' Representatives should not agree to the higher rate taking effect before the date from which the limited operation of the increased rate comes into force.' Sure enough, thereafter, trade board minima crept upwards, in halfpenny instalments. Even so, these advances failed to compensate the women fully for the increased cost of living since the outbreak of war. Trade unionists continued to press for a minimum rate that ensured to the worker the same purchasing power as the wage in 1914.⁶⁶

Of course, some organised women in trade board sectors benefited from collective agreements guaranteeing a level of earnings significantly above the statutory minima. By the end of the war, female chain-workers covered by an agreement reached between their union and the Chain Manufacturers' Association, enjoyed weekly earnings of between 25 and 35 shillings, compared with the trade board minimum rate of just four pence an hour., 16 shillings for a 48-hour week. Similarly, adult women hollow-ware workers

employed by members of the Light Castings Association enjoyed guaranteed minimum weekly earnings of 30s. 9d.⁶⁷

Women engaged on war work that fell under the jurisdiction of trade boards were short-changed. As many processes in the hollow-ware and tin-box trades were classified as munitions work, initially, women workers benefited from the Special Arbitration Tribunal on Women's Wages cost of living weekly bonus awards of 2s. 6d. and 3s. 6d., in August and December 1917, respectively. However, in April 1918, the Minister of Labour decided that such bonuses, in future, would not apply to work under the jurisdiction of the trade boards.⁶⁸ Likewise, in spite of the fact that the men's clothing sector was geared towards the supply of military uniforms, clothing workers were not protected by wartime wage regulatory machinery.⁶⁹ The female chain-making sector lacked a strong claim for war-work status; the lighter grades of chain produced were intended for agricultural use, rather than shipping. Thus, the twin pressures of inflation and labour scarcity combined only slowly to nudge female trade board minima upwards.⁷⁰

Having looked at both wartime regulation issues and the fate of minimum wage machinery outside the munitions sector, we now turn to a discussion of 'reconstruction' thinking, and associated plans for an important role for minimum wage machinery in the post-war labour market.

The labour movement hierarchy, enjoying unprecedented influence in Whitehall as a consequence of its total commitment to the war effort, was inspired by the demonstration, in wartime, that state action could do much to improve working class standards of living and working conditions. Jimmy

Sexton, leader of the Liverpool dock workers', and a vociferous supporter of the war effort, epitomised the optimism of labour leaders:

The war, devastating though it has undoubtedly been, has also demonstrated possibilities from which I trust we shall profit when peace is declared and we get back to production instead of destruction, amongst which may be mentioned the unlimited financial resources of the country for its defence, the organisation of certain industries almost to Nationalisation, and the control of the profit-monger. It can never be said, after our experience of the war, that the nation whose financial resources are so marvellous now can, even through the mouths of its custodians, use the argument of what it will cost to secure industrial and other social reforms which must come as a consequence of the war. For let it not be forgotten the trenches out in Flanders has been a liberal educator of the British citizen, who will refuse to be bound when he comes back by the old moth-eaten shibboleths of the past.⁷¹

Furthermore, the influence over policy making enjoyed by the TUC leadership, together with the new force of shop-steward power at workplace level, whetted the appetite of organised labour for a permanent share in the formulation of industrial policy, at both the level of the firm and central government.⁷²

In response, many employers were willing to make concessions. They were motivated by a desire for a permanent abandonment of pre-war restrictive practices, and a settlement of the causes of labour unrest. The Federation of British Industries (FBI), anxious to wean trade unionists away from their wartime habit of turning to the state as a guarantor of industrial standards,

proposed a generous system of welfare benefits, to be administered by employers and workers jointly.⁷³ Championing the mutual interests of employers and workers, the FBI's leading figures, notably Hugh Jackson and Dudley Docker, co-opted influential labour movement 'moderates', such as Arthur Henderson and J.R. Clynes, into the National Alliance of Employers and Employed. This organisation championed the FBI's conception of reconstruction, in general, and the recommendations of the Whitley Committee (see below), in particular.

These factors, together with a sense of national unity fostered by the sharing of hardships and horrors associated with war, strengthened the notion that a better society must be built after the cessation of such a destructive war. This reconstruction thinking was embraced, or at least paid lip service to, by opinion across the political spectrum.

This impulse towards social reconstruction was embodied in a series of innovations of central government. A cabinet committee on Reconstruction Problems was first appointed by Asquith in the spring of 1916. It was superseded a year later by a committee of experts under Lloyd George and Edwin Montagu; and finally a full-scale Ministry of Reconstruction was set up in July 1917. The movement covered a wide spectrum of economic and political issues, ranging from administrative reform and improvement of industrial relations to enhancement of the status of women and prevention of unemployment after the war.⁷⁴

Towards the end of 1916, the Board of Trade began to consider the merits of a minimum wage strategy as a means of countering the effects on

women's wages of the dislocation of trade, which was expected to follow the end of the war.⁷⁵ A few months later, the new Ministry of Labour, which assumed responsibility for the trade boards in January 1917, drafted a Bill providing for the widespread application of trade boards across industry.⁷⁶ This bill was based on the recommendations of the Industrial Sub-Committee of the Ministry of Reconstruction's *Women's Employment Committee*. It favoured trade boards for all trades employing a significant female workforce, in order 'to safeguard the position of women in trades where a reasonable level of remuneration has already been reached in order that they will not sink back to a condition which is socially undesirable', and to help women whose wages were still unregulated and 'unduly low'. The Committee also favoured an extension of the function of trade boards, to regulate pay and hours for *all* grades of labour, not just the lowest skilled.⁷⁷ However, this Bill was not proceeded with, on account of the appearance of the second Whitley Report on 18 October 1917.

The Ministry of Reconstruction established the Committee on Relations between Employers and Employed, under the chairmanship of John Whitley, the deputy Speaker of the House of Commons. Its remit was to 'make and consider suggestions for securing a permanent improvement in the relations between employers and workmen.'⁷⁸ The Whitley Committee steered a middle course between the pre-war exclusion of trade unions from industrial decision making and the unions' demand for some form of workers' control. Via bi-partite representative Joint Industrial Council (JIC) machinery, unions were to be given full recognition and formal collective bargaining apparatus, but no formal role in the direction of industry. The Committee's first report, which

dealt with well-organised industries, was presented to ministers in March 1917.⁷⁹

The second Whitley Report dealt with the less organised sectors of industry. For those trades where the establishment of JICs was not practicable, the Committee recommended that 'Trade Boards should be regarded also as a means of supplying a regular machinery for negotiation and decision on certain groups of questions dealt with in other circumstances by collective bargaining between the employers' organisations and trade unions.'⁸⁰ Instead of being concerned merely with the prevention of sweating, trade boards were now to serve as a stepping stone to full JIC, i.e. collective bargaining, machinery.

Whitehall clearly favoured a trade-by-trade minimum wage policy. During the war, Seeborn Rowntree, who had responsibility for overseeing the welfare of government employed munitions workers, devised a minimum wage standard capable of maintaining a five-member family in modest comfort.⁸¹ However, government officials recognised that no agreed basis for the determination of a uniform minimum wage rate then existed. Furthermore, there was little uniformity of industrial conditions, on account of variations in: the cost of living between districts, wage rates between workers of different grades of skill, the level of trade union organisation, the prosperity of industries, the proportion of wages to the overall costs of production, and the ~~greater~~ ^{gender} profile of an industry's workforce. Thus, officials feared that the determination of a uniform minimum wage rate would be influenced more by political, rather than industrial conditions. The Ministry of Labour favoured representative trade board machinery, which, it considered, would endow the minima with greater authority amongst both sides of industry, and ease the

adjustment of a trade to new minimum standards. In addition, the Ministry believed that the boards would foster a greater sense of trade unity amongst an industry.⁸²

The Report of the *War Cabinet Committee on Women in Industry* endorsed the bold principle that 'in order to secure and maintain physical health and efficiency no normal woman should be employed for less than a reasonable subsistence wage.'⁸³ However, closer inspection of the recommendations indicates that this principle was to take second place behind existing machinery for minimum wage determination.⁸⁴ Beatrice Webb's Minority Report went further, advocating a genuine national minimum wage, applicable to men and women equally.⁸⁵ However, this proposal was beyond the pale for all but Fabian socialists and the most radical feminists. More palatable to mainstream opinion, and the government, were the recommendations of Sir William Mackenzie.⁸⁶ Insisting that the British wage system was too complex to have a uniform minimum wage rate transposed upon it, Mackenzie favoured, instead, an extension of existing wage regulatory machinery, in order to effect wages minima on a universal, but trade-by-trade basis.⁸⁷

The 1918 Trade Boards Act enjoyed broad support in parliament.⁸⁸ By this legislation, trade boards were no longer an 'exceptional' policy expedient reserved only for the most wretched sectors of the economy. Henceforth, insufficient industrial organisation in a trade, rather than low wages, was to be the principal justification for their establishment. However, in some respects, the 1918 Act represented not so much a full realisation of the Whitley Committee's desire for trade boards to become full substitute collective

bargaining agencies, but more of a compromise between this and the 1909 Act's strictly limited conception of their role. For instance, whilst the Whitley Report envisaged that trade boards would regulate general conditions of pay and hours, the 1918 Act empowered them to fix only a handful of specific minimum rates of wages, and regulate hours only inasmuch for the purpose of devising overtime provisions.

In order to facilitate an accelerated expansion of the trade boards system, the 'Special Order' procedure, borrowed from the 1901 Factory Act, was substituted for the 'Provisional Order' mechanism.⁸⁹ In essence, a Special Order placed the onus on parliament to reject the minister's proposal before it assumed the force of law; MPs having forty days in which to do so. By contrast, the Provisional Order necessitated the minister justifying his proposals via the full legislative procedure.

This substitution worried those MPs who were concerned about losing parliamentary sovereignty to Whitehall. James Mason, a Tory MP with several business interests, charged the Minister of Labour with 'doing away with the only safe method by which Parliament can proceed in these matters.'⁹⁰ Indeed, the concerns expressed over this issue betrayed the fact that the principle of minimum wage regulation still caused unease amongst a surprisingly high minority of MPs otherwise sympathetic to the Bill.⁹¹ Evidently, some of them considered wage regulation as a potential 'Frankenstein's Monster', which must be kept under tight supervision, in case it was 'let loose' to wreak destruction amongst the free-market economy. Furthermore, the Ministry of Labour, itself, was distrusted by some employers; regarding it as 'almost

ostentatiously organised for the purpose of being biased in the interests of the wage-earners as against the persons who pay their wages.’⁹²

Nevertheless, although some MPs feared ‘that we shall never escape this bureaucratic octopus which is likely to cling to us after the War’,⁹³ there was broad agreement with the glowing assessment of the nine-year old trade boards experiment, offered by George Roberts, the Minister of Labour:

Our experience shows a wide improvement in the wage standards, while no legitimate interests have been prejudiced. Organisation has been improved, efficiency has stimulated and, above all, industrial relationships have been bettered.⁹⁴

Rowland Barron, a Leeds clothing merchant and Liberal MP, claimed that the boards ‘have been a very great advantage to the work people without being a corresponding disadvantage to the employers.’ On the contrary, he believed that trade boards had, by levelling up wage rates, assisted ‘the better class of employers against the less generous class of employers.’ For these reasons, he felt confident that employers generally would have no objection to the extension of the trade board system.⁹⁵ Even the official speaker opposing the Trade Boards Bill, James Mason, was careful to stress that: ‘I have absolutely no quarrel whatsoever with the general principle of wages boards, nor do I object at all to legitimate attempts to raise the standard of women in trades’.⁹⁶ Although some MPs were upset that the exceptionally low wages criterion for trade board establishment, underpinning the 1909 Act, had been usurped in favour of low organisation,⁹⁷ many more MPs stressed the reconstruction aspect of the Bill. They highlighted the need for trade board machinery to be

in situ as soon as possible, so as to protect working women from the consequences of the predicted post-war dislocation of industry.⁹⁸

However, the armistice took the government by surprise. Although the Allies were confident, by the late summer of 1918, that victory over the Central Powers was imminent, most observers did not expect this to happen until 1919. Consequently, many reconstruction plans were incomplete by November 1918. In particular, no new trade boards had been established following the new Act, which had become law only one month earlier. In view of the abrupt curtailment of the war economy, the Wages (Temporary Regulation) Act was passed, in order to forestall a fall in (women's) wages.

This hasty enactment was the product of a conference of employers and trade union representatives at Caxton Hall, summoned by the government on 13 November 1918. Its purpose was to discuss the promised restoration of pre-war 'restrictive' practices and wage stabilisation. Royal Assent was given to the Wages (Temporary Regulation) Act just eight days later. The government undertook a universal minimum wage guarantee, albeit on a temporary basis. Employers were bound to maintain wage rates at least at the levels prevailing on 11 November 1918 (the 'prescribed rate') for six months. The Committee on Production ^{was} replaced by the Interim Court of Arbitration, which was 'able to deal with all wages questions without regard to whether the work affected is munitions work or not.'⁹⁹ The Interim Court of Arbitration proved an important agency for the regulation of women's wages during 1919, especially for those whose terms of contract were unregulated throughout the war, such as the women's clothing industry, for example.

Unsurprisingly, in view of the consent given by both sides of industry at the Caxton Hall meeting, the Bill did not encounter any opposition in parliament. The trade unions were pleased that the Act repealed those clauses of the Munitions of War Acts that outlawed strikes. Employers, and the many potential opponents of the principle that the state was guaranteeing *all* workers their existing wage standards, would have been mollified both by an awareness of the existing extraordinary economic conditions, and the expressly stated temporary nature of the measure:

The Government are particularly anxious to encourage each industry to deal with wages and allied questions for itself as soon as practicable. For these reasons the Arbitration Tribunals will be Interim Arbitration Tribunals only, and the whole wage policy ... is intended to operate only for a period of six months.¹⁰⁰

Nevertheless, come May 1919, Robert Horne, George Roberts' successor as Minister of Labour, recognising that 'we find ourselves still without having attained peace and with our industrial life still far from settled',¹⁰¹ felt compelled to extend the measure for a further six months. However, even allowing for the Court's raising of many 'prescribed rates' during 1919, this was a largely cost-less gesture on the part of government, given the contemporary inflation in prices and wage rates. Indeed, the November 1919 Industrial Courts Act prolonged the 'minimum wage for all' terms of the Wages (Temporary Wages) Act until 30 September 1920.

Hopes for *permanent* universal minimum wage coverage were raised in April 1919, when the government endorsed the recommendation of the National Industrial Conference for such. This issue will be discussed below, in

Chapter Five. Before then, Chapter Four will analyse the fate of the much-expanded trade boards machinery during the inter-war period.

To conclude, it is clear that wage regulation during the First World War was merely an expedient intended to achieve both control of the labour market and buy industrial peace, so as to minimise risks to production arising from industrial unrest. Only during deliberation over programmes of reconstruction did the government consider extending permanent statutory minimum wage machinery, and even here, its preferred model for the achievement of fair wages for labour was via collective bargaining machinery, rather than state compulsion. Solely for those industries considered unfit for industrial self-government were trade boards proposed. Trade boards themselves represented an 'arms-length' devolved form of machinery from the perspective of a wartime government settling wages by edict and compulsory arbitration. Nevertheless, in 1918, the government made provision for the widespread expansion of trade boards into 'mainstream' sectors of industry.

Although the left of the labour movement grew disillusioned with the role of the 'mighty state' during the war years, in view of policies of conscription, censorship, and deportations of 'troublesome' workers,¹⁰² most working class people could appreciate that the state could play a benevolent role in ensuring fair conditions, especially for the more underprivileged households. The 'levelling' effect of the state's huge compass over everyday economic and social existence was not forgotten by the labour movement after these controls were lifted, as per their original timetable, once the war had ended. Railway workers and coal miners emerged from the war convinced that

state control of their industries should be made permanent, whilst the Committee on Production achieved widespread respect amongst employers and workers, especially from 1917. And whilst it is true that women continued to suffer inferior levels of wage payment and wider status compared with men under conditions of state regulation, the conclusion of the *Women in Industry* Report reproduced below appears fair:

Had the ordinary law of supply and demand been left to work freely, it is possible that the disparity between the wages of men and women would have increased rather than diminished with the decreasing supply of skilled men. ... There is little reason to support the belief that under free competition the relation between men's and women's wages would have changed during the war period as quickly as it did under state regulation.¹⁰³

After all, as Clare Wightman has shown with regard to the engineering industry, women's wages 'fell dramatically after wartime regulation was withdrawn in 1920'.¹⁰⁴ State regulation of wages was generally to the benefit of female and lesser-skilled male labour.

Nevertheless, it is worth re-stating the point that state regulation of wages did depress the 'economic wage' of skilled engineering workers, in particular. This experience confirmed the suspicions of many skilled workers regarding the danger that statutory 'minima' placed a 'ceiling' upon wages. The experience of widespread government regulation of wages, during the war, was a demonstration to employers that minimum wages need not necessarily force them into granting higher wages. On the contrary, it helped them, on occasion, to stereotype wages at a fairly low level. Nonetheless, whilst skilled

workers suffered a significant erosion of pay differentials, vis-à-vis lesser-skilled workers, during the war, at least some improvement in the relative and absolute pay standards of the latter group was inevitable, given both the acute shortages for labour and their very low level of earnings in 1914.

The attainment of universal minimum wage coverage, via the wages (Temporary Regulation) Act, if only temporary, and merely on account of the need to ensure adequate safeguards during transition of the wartime economy back to peacetime production, proved that a 'minimum wage for all' was a practical policy expedient. Henceforth, only the lack of government commitment to undertake such a comprehensive intervention in determining industrial standards, rather than the supposed barrier of orthodox economic 'laws', prevented the policy from being realised on a permanent basis.

Despite failing, formally, to renounce its *laissez-faire* instincts, the British polity sponsored an unprecedented encroachment by the state into the free-market economy during the First World War. R.H. Tawney's explanation for this paradox rested on the *ad hoc* and incremental nature of this leap in the dark:

Like factory and public health legislation in the last century, each justified every additional advance as an exceptional concession to some specific emergency, which, because it was exceptional, raised no question of principle. Thus a collectivism was established which was entirely doctrineless. The most extensive and intricate system of state intervention in economic life which the country had seen was brought into existence, without the merits or demerits of State intervention being even discussed.¹⁰⁵

However, out of this chaos of selective improvisation, reconstruction planning envisaged a *de-facto* minimum wage for all. The failure of the realisation of this policy, during the inter-war years, forms the thematic basis for the following two chapters.

List of references

¹ Stephen Constantine, Maurice Kirby & Mary Rose (eds.), *The First World War in British history* (1995), p. 1.

² Rodney Lowe, *ibid.* Ch. 2, "Government", p. 32.

³ The dislocation of trade at the beginning of the war affected the cotton industry, employing a high proportion of women workers, particularly badly.

⁴ Though as S.J. Hurwitz noted, administrative confusion followed from the fact that the two government departments employed different badge-issuing criteria. Consequently, the new Ministry of Munitions assumed sole badge-issuing authority in Jun. 1915. See *State intervention in Great Britain. A study of economic control and social response 1914-1919* (1968), pp. 87-88.

⁵ See the debate on this issue at the 1915 TUC conference, *47th Annual Congress Report*, pp. 373-75, in particular, the speech of H. Luckhurst, a delegate from the Scientific Instrument Makers Union.

⁶ See John Bourne, "The British working man in arms", Hugh Cecil & Peter Liddle (eds.), *Facing Armageddon. The First World War experienced* (1996), pp. 343-44.

⁷ This was demonstrated by Noel Whiteside, using the issue of unemployment insurance as an example, in "Welfare legislation and the unions during the First World War", *Historical Journal*, 23 (1980), pp. 857-74.

⁸ For a good summary of this Clyde workers dispute, see Chris Wrigley, *David Lloyd George and the British labour movement. Peace and War* (Hassocks, 1976), pp. 95-96.

⁹ George Askwith, *Industrial problems and disputes* (1920), p. 366. This Committee developed into the principal body during WW1. Despite having no remit over the coal, cotton, railway or agricultural industries, it was responsible for over half of all arbitration awards. Such was its reputation, the Committee was even asked to arbitrate in industries where it lacked statutory authority (see *ibid.*, p. 395). From August 1917, under Section 5 of the third Munitions of War Act, the Committee could extend wage awards to cover all, i.e. non-federated employers in a trade.

¹⁰ John Turner has described the consequent erosion of employer prerogatives. See "The politics of 'organised business' in the First World War", Ch. 3 in John Turner (ed.), *Businessmen and politics. Studies of business activity in British politics, 1900-1945* (1984), pp. 39-40.

¹¹ See Clare Wightman, *More than munitions. Women, work and the engineering industries, 1900-1950* (New York, 1999), pp. 53-4 & 60. Many other unions negotiated with employers to ensure that replacement female labour would be paid at the same rates as males. See, for example, *Annual Report of the Amalgamated Association of Tramway and Vehicle Workers, 1915*, p. xii, University of Warwick, Modern Records Centre (MRC), MSS. 126/AT&VW/4/2.

¹² Clare Wightman, *More than munitions*, p. 54.

¹³ *Ibid.*, pp. 58-60.

¹⁴ Gail Braybon, "Women and the War", Ch. 6 in Constantine, Kirby & Rose (eds.), *The First World War in British history*, p. 150.

¹⁵ TUC, *47th Annual Congress Report*, p. 55. Seddon was hardly a militant trade unionist. Although sitting as a Labour MP between 1906-10, he was re-elected in 1918 on the National Democratic Party ticket.

- ¹⁶ For an excellent summary of this development, including the role of Arthur Henderson and the Ministry of Munitions Central Munitions Supply Committee, see José Harris, *William Beveridge. A biography* (Oxford, 1977), pp. 210-12.
- ¹⁷ *Report of the War Cabinet Committee on Women in Industry*, Cmd. 135 (1919), p. 110.
- ¹⁸ See TUC, 48th Annual Congress Report, 1916, pp. 233-35.
- ¹⁹ See 85 *H.C. Deb. 5s.* cols. 1718-20 & 1735-37 respectively (15 Aug. 1916).
- ²⁰ See Cmd. 135 (*Women in Industry Report*), p. 113.
- ²¹ Lloyd George's description of the behaviour of Will Anderson, a former chairman of the ILP and, since 1911, husband of Mary Macarthur. See 85 *H.C. Deb. 5s.* cols. 1746-47 (15 Aug. 1916).
- ²² Cmd. 135 (*Women in Industry Report*), p. 117.
- ²³ Will Anderson to the Commons, 28 Jun. 1917, 95 *H.C. Deb. 5s.* col. 610. M.A. Hamilton conceded that women's average real wages had risen by 50% during WW1, see *Mary Macarthur. A biographical sketch* (1926, Hyperion reprint, Connecticut, 1976), p. 161.
- ²⁴ J.J. James, MP for West Ham Silvertown, 1918-40. See 120 *H.C. Deb. 5s.* col. 1738 (6 Nov. 1919). Of course, strikes were outlawed between July 1915 and November 1918.
- ²⁵ Letter to his mother, dated 1 Feb. 1917, reproduced in José Harris, *William Beveridge*, p. 209.
- ²⁶ See Table 5.1, "Index of wages and earnings, 1914-1924", in Gordon Phillips, "The social impact", in Constantine, Kirby & Rose (eds.), *The First World War in British history*, p. 114.
- ²⁷ See S.J. Hurwitz, *State intervention*, p. 109-17.
- ²⁸ On the outbreak of war, the trade unions had suspended their agitation for a general advance in wages and declared an industrial truce. Will Anderson warned that, 'if anything in the nature of an industrial truce is entered into it involves a truce all round. It does not mean that the sacrifices are going to be on one side and the profits on the other'. See 69 *H.C. Deb. 5s.* cols. 1169-70 (17 Feb. 1915). Richard Holt, a Liberal MP with ship-owning interests, was unmoved by Anderson's arguments. He urged workers seeking higher earnings to work longer hours! See *ibid.*, cols. 1220-21.
- ²⁹ See the resolutions passed at the 1915 & 1916 TUC conferences, 47th & 48th Annual Congress Reports, pp. 382 & 346-51, respectively.
- ³⁰ See 70 *H.C. Deb. 5s.* col. 1833 (15 Mar. 1915).
- ³¹ Chris Wrigley, *Lloyd George and the labour movement*, p. 96.
- ³² See TUC, 49th Annual Congress Report, 1917, p. 248.
- ³³ As George Barnes noted, 76 *H.C. Deb. 5s.* col. 430.
- ³⁴ *Ibid.*, cols. 433-35. However, George Barnes probably spoke for almost all MPs when he maintained that Banbury's opposition was 'one of the best recommendations of the Bill', col. 430.
- ³⁵ All awards by the Committee on Production carried this wording, cited in Cmd. 135 (*Women in Industry Report*), p. 116. From March 1917, these advances were granted at fixed four-monthly intervals. The Special Arbitration Tribunal on Women's Wages awarded female war-workers similar advances, albeit generally at a lower level than the men's. For details, see *ibid.*, pp. 118-19.
- ³⁶ See *ibid.*, pp. 116-17.
- ³⁷ A.G.B. Fisher, *Some problems of wages and their regulation in Great Britain since 1918* (1926), p. 9.
- ³⁸ As Roger Charles noted. See *The development of industrial relations in Britain 1911-1939. Studies in the evolution of collective bargaining at national and industry level* (1973), p. 92. However, this dramatic improvement in unskilled male wage rates, both absolutely, and in relation to skilled rates, caused controversy amongst both employers and skilled workers. George Terrell, President of the National Union of Manufacturers, and Tory MP for Chippenham, drew a bitter comparison between 'patriotic' working class men volunteering for the colours and, 'these men who stay at home, these unskilled labourers who are ... only working at a capstan lathe or some automatic machine, and who have got the trick of speeding it up and getting a big output ... earning wages out of all proportion to their value.' See 75 *H.C. Deb. 5s.* col. 1585 (15 Nov. 1915). In an attempt to address the 'skilled man's grievance', and restore pay differentials, the government awarded skilled time workers a 12½ per cent. advance on earnings in October 1917. See Chris Wrigley, *Lloyd George and the labour movement*, pp. 219-21.

³⁹ See admission of F.D. Acland, a junior Agriculture minister, 82 *H.C. Deb.* 5s. col. 1856 (22 May 1916).

⁴⁰ Acland again, see 74 *H.C. Deb.* 5s. col. 570 (23 Sept. 1915).

⁴¹ See Alan Armstrong, *Farmworkers. A social and economic history 1770-1980* (1988), p. 159. Lloyd George lamented that the separation allowances paid to wives of rural servicemen were often of higher value than his pre-enlistment earnings. See 90 *H.C. Deb.* 5s. col. 1602 (23 Feb. 1917).

⁴² See Reg Groves, *Sharpen the sickle. The history of the Farm Workers' Union* (1981, 1st published, 1949), p. 150. However, by this time, the union was calling for a nation-wide minimum of 25 shillings.

⁴³ Alan Armstrong, *Farmworkers*, p. 168.

⁴⁴ See statement by Ramsay MacDonald to the Commons, 24 Apr. 1917, 92 *H.C. Deb.* 5s. col. 2356.

⁴⁵ This was confirmed by Richard Winfrey, a junior Agriculture minister, on 27 Feb. 1917, 90 *H.C. Deb.* 5s. col. 1834.

⁴⁶ 96 *H.C. Deb.* 5s. col. 685 (19 Jul. 1917).

⁴⁷ *Ibid.*, col. 935. Likewise, Leslie Scott, a Tory MP and past sponsor of Agricultural Wages Board Bills, reminded MPs that the 25s. 'is simply the bed rock minimum' which could be raised by local wages boards, 92 *H.C. Deb.* 5s. col. 2495 (25 Apr. 1917).

⁴⁸ See 96 *H.C. Deb.* 5s. col. 422 (18 Jul. 1917).

⁴⁹ See the speech of Thomas McKinnon Wood, an Asquithian Liberal, and Ramsay MacDonald, 92 *H.C. Deb.* 5s. cols. 2449 & 2355 (25 & 24 Apr. 1917), respectively. With the onset of the post-war depression in 1921, the subsidies proved to be the death knell of the Corn Production Act. Nevertheless, the Act was passed in August 1917; the Central Agricultural wages Board met for the first time on 6 December 1917, and set to work establishing the county-level wages board machinery.

⁵⁰ See Nigel Scotland, *Agricultural trade unionism in Gloucestershire 1872-1950* (Cheltenham, 1991), pp. 99-100.

⁵¹ See TUC, 49th Annual Congress Report Gathering, 1917, pp. 373-74.

⁵² See Alan Armstrong, *Farmworkers*, pp. 185 (Table 8.3) & 169 respectively.

⁵³ See the positive reports of the work of county wages committees, in Workers' Union, 20th Annual Report, 1918, pp. 29 & 36, MRC, MSS. 126/WU/4/1/13. However, Richard Hyman has mentioned the frustration of the Workers' Union at the Central Board's thwarting of its fifty shillings weekly minimum wage campaign in 1920. See *The Workers' Union* (Oxford, 1971), pp. 102-3.

⁵⁴ See Alan Armstrong, *Farmworkers*, pp. 167-68. The advances enjoyed by the three southern counties between 1914 and 1920-21 were 245%, 229% and 221% respectively.

⁵⁵ F.E. Green, *A history of the English agricultural labourer 1870-1920* (1920), p. 317. See also Alan Armstrong, *Farmworkers*, p. 168.

⁵⁶ Ministry of Reconstruction, *Report of the Women's Employment Committee*. [Cd. 9239 (1919)] Appendix V. Memorandum by the Industrial group of the sub-committee on Women's Wages on regulation of Women's Wages after the War, p. 84.

⁵⁷ See TUC, 48th Annual Congress Report, 1916, pp. 398-400. Not until April 1919 did clothing workers, outside the coverage of the Tailoring and Shirt-making Trade Boards, enjoy minimum wage protection, via an Interim Court of Arbitration award. Of course, by this time, the government was keen to make 'female occupations' more attractive, to sweeten the pill for those women reluctant to leave their wartime vocations.

⁵⁸ See Ramsay MacDonald's complaint, regarding the Sugar Confectionery & Food Preserving Trade Board, 96 *H.C. Deb.* 5s. col. 682 (19 Jul. 1917). Certainly, long intervals passed between meetings of the trade boards. For instance, the March 1916 meeting of the Tailoring Trade Board was only the second since Aug. 1914, the first not occurring until Jun. 1915. See MRC, MSS. 258/1/1/5 Pt.1 & 2.

⁵⁹ See the respective trade board minutes, MRC, MSS. 258/1/1/5 Pt.2 & MSS. 258/1/3/1.

⁶⁰ See Sheila Blackburn, "A very moderate socialist indeed? R.H. Tawney and minimum wages", *Twentieth Century British History*, 10 (1999), p. 115. Here, she was referring to the experience of the female chain-making trade.

⁶¹ However, it is interesting that shirt-making employers adopted a reasonably conciliatory attitude to a demand by workers for a rate advance in Aug. 1916. Only later, in response to

the fixing of a modest $\frac{1}{2}d.$ hourly advance by the Tailoring Trade Board, did they scale down the level of the maximum advance to be conceded. See Shirt & Collar Manufacturers' Federation minutes, AGM meeting, 16 Aug. 1916 & EC meeting, 18 Sept. 1916, MRC, MSS. 222/SC/1/1/2.

⁶² Cmd. 135, p. 155.

⁶³ Namely: Paper-Box, Shirt-making, Sugar Confectionery & Food Preserving, Tailoring, and Tin-Box. The remaining two British boards; Chain-making and Lace-finishing, embraced only locally based trades around Cradley Heath and Nottingham, respectively.

⁶⁴ In return, J.J. Mallon promised, on behalf of the workers' representatives on the trade boards, that they would 'be prepared, as soon as a substantial fall in the cost of living should have occurred to consent to' a corresponding reduction of rates. See his letter to the Ministry of Labour, dated 16 Apr. 1917. Copy held in Tailoring Trade Board minutes, MRC, MSS. 258/1/1/6.

⁶⁵ Accounts of the above-mentioned 3 & 15 May meetings can be found in the minutes of the Wholesale Clothing Manufacturers' Federation, MRC, MSS. 222/CM/1/1/2.

⁶⁶ See speech of J. Smith, Garment Workers' Union delegate, to the 1917 TUC, *49th Annual Congress Report*, p. 247. See also Tailoring Trade Board District Trade Committee meetings, Sept.-Oct. 1917 & Jan.-Feb. 1918, MRC, MSS. 258/1/1/6. Conversely, workers' representatives on the Shirt-making Trade Board District Trade Committees, in Sept. 1917, seemed content with the level of the proposed increase in rates, see MRC, MSS. 258/1/3/1. Perhaps this was a function of the lower level of trade union coverage in this sector, compared with the tailoring industry.

⁶⁷ See Cmd. 135 (*Women in Industry Report*), p. 125. A four pence hourly minimum rate translated into weekly earnings of between 16 and 18 shillings, for between 48 and 54 hours work, respectively

⁶⁸ See *ibid.*

⁶⁹ See *ibid.*, p. 135. Nevertheless, as will be mentioned in the following chapter, Andrew Conley's United Garment Workers Union, formerly the Amalgamated Union of Clothiers' Operatives, and the Wholesale Clothing Manufacturers' Federation, voluntarily, made good use of the Committee of Production arbitration machinery during the latter half of the war.

⁷⁰ Of course, male trade board minima were rendered completely obsolete during the war. Any men who had not enlisted in the armed services or transferred to munitions work would have been able to demand relatively high wage rates.

⁷¹ National Union of Dock Labourers, Executive Report, 1917, p. 8, MRC, MSS. 126/NUDL/4/1.

⁷² See G.D.H. Cole, *British trade unionism to-day. A survey* (1939, 1945 edn.), p. 65.

⁷³ See John Turner, "The politics of 'organised business' in the First World War", pp. 13-14.

⁷⁴ José Harris, *William Beveridge*, p. 250.

⁷⁵ See memorandum by S.L. Besso[n], dated 13 Feb. 1917, "Proposed extension of the Trade Boards Act", Public Record Office (PRO), LAB2/934/TB155/2/1925/Pt.13. Sharing similar assumptions, Margaret Bondfield favoured comprehensive trade boards coverage, in order to save women 'from sinking back into the abyss of sweated wages from which they have been rescued.' See TUC, *49th Annual Congress Report*, 1917, p. 281.

⁷⁶ A copy of the 1917 Trade Boards Bill is held in PRO, LAB2/934/TB155/2/1925/Pt.7.

⁷⁷ The 1917 report of the Sub-Committee was published as Appendix V to Cd. 9239 (*Report of the Women's Employment Committee*), pp. 84-90. J.W. Hills, a Tory MP, and long-time supporter of trade boards chaired the main committee. Although the provisions of the 1918 Trade Boards Act owed much to the second Whitley Report, Hills' committee, arguably, had a stronger influence on the character of the inter-war trade boards system. In spite of the recommendations of the Whitley Committee, the Ministry of Labour, in practice, continued to apply trade boards on the low pay, rather than inadequate organisation criterion.

⁷⁸ George Askwith, *Industrial problems and disputes*, pp. 455-56.

⁷⁹ For an analysis of issues relating to the first Whitley Report, see Roger Charles, *The development of industrial relations in Britain*, pp. 77-100. Although weaker unions in less strongly organised sectors embraced JICs (see, for example, the enthusiasm of Charles Duncan, General Secretary of the Workers' Union, in its *Twentieth Annual Report, 1918*, pp. 11-12, MRC, MSS. 126/WU/4/1/13), the more powerful interests within the TUC were contemptuous of government attempts to 'interfere' with their existing collective bargaining

arrangements (see the account of the TUC Parliamentary Committee deputation to the Minister of Labour, 5 Dec. 1917, in *50th Annual Congress Report*, 1918, pp. 88-92). Thus, JICs ('Whitley Councils') 'became neither as important nor as widespread as its authors hoped.' See W. Milne-Bailey, *Trade unions and the state* (1934), p. 139.

⁸⁰ Ministry of Reconstruction, *Committee on Relations Between Employers and Employed, Second Report on Joint Standing Industrial Councils*, Cd. 9002 (1918), p. 4.

⁸¹ Published as B.S. Rowntree *The human needs of labour* (1918). See J.H. Veit-Wilson, "Paradigms of poverty: a rehabilitation of B.S. Rowntree", Ch. 7 in D. Englander & R. O'Day, *Retrieved riches: social investigation in Britain 1840-1914* (Aldershot, 1995), pp. 218-19.

⁸² See memorandum by G.T. Reid, "Summary of arguments against a general minimum wage" (Apr. 1917), PRO, LAB11/166. David Shackleton, the Ministry of Labour's Permanent Secretary, gave enthusiastic endorsement to Reid's point-by-point rejection of a universal national minimum wage rate policy. See his note attached to the memo. During the winter of 1916-1917, both William Beveridge and Clara Collet suggested universal (female) minimum wage rate policies, based on existing trade board minima. However, these proposals met a cool reception from their colleagues in Whitehall. See S.L. Besso[n] memorandum, "Proposed extension of the Trade Boards Act" (13 Feb. 1917).

⁸³ Cmd. 135, paragraph 18, p.6. The criteria used to calculate the putative sum was set out in paragraphs 19-26, pp. 6-7. The opinions of employers' witnesses, regarding a national minimum wage, are summarised on pp. 175-76, 181-82. In adopting this recommendation, the Committee were clearly influenced by the Memorandum of 19 Dec. 1918 by Dr. Janet Campbell, see *ibid.*, p. 253. The *Women in Industry* Report was signed on 30 Apr. 1919, five weeks after the final *Women's Employment Committee* Report, and less than four weeks following the National Industrial Conference's Report. The *Women in Industry* Committee was established in September 1918 to investigate and report on the desirable level of the relationship of women's wages vis-à-vis men's wages.

⁸⁴ See Cmd. 135, paragraph 23, p. 7. The Committee assumed that JICs and trade boards would fix wage-rates according to a subsistence standard, see p. 174.

⁸⁵ See Cmd. 135, pp. 274-75. Webb suggested a figure of £3 a week, to be varied upwards with any further movement in the cost of living. However, she did not want the figure reduced, for five years, even if the cost of living fell, in order to raise the level of the national minimum. See p. 285.

⁸⁶ Mackenzie was chairman of several wartime industrial tribunals, and was to become President of the Industrial Court in November 1919. His dissenting 'Note' from the rest of his *Women in Industry* Committee colleagues is reproduced in Cmd. 135, pp. 335-41.

⁸⁷ In the event, the government, in the spring and summer of 1919, sidelined the *Women's Employment Committee* and *Women in Industry* Reports, and invested political capital in the National Industrial Conference. See below, Chapter Five.

⁸⁸ For the main Commons second reading debate, see *107 H.C. Deb. 5s.* cols. 61-130 (17 Jun. 1918).

⁸⁹ Ironically, the Special Order mechanism for the extension of trade boards was originally a feature of the 1909 Bill, but the government agreed to substitute the Provisional Order procedure, so as to re-assure those MPs anxious to constrain the minimum wage 'experiment'. The *Women's Employment Committee* recommended that the Special Order be re-instated in a new Trade Boards Act, see Cd. 9239, p. 85.

⁹⁰ See *107 H.C. Deb. 5s.* col. 114.

⁹¹ For instance, Rowland Barron, who praised the work of the trade boards (see below), was unhappy at the abandonment of the Provisional Order procedure for expanding the system. See *ibid.*, col. 114.

⁹² The opinion of Richard Holt, see *107 H.C. Deb. 5s.* col. 79. Similarly, Edmund Bartley-Denniss, Tory MP for Oldham, damned the Ministry of Labour as 'a one sided tribunal ... not calculated to give confidence to employers', *ibid.*, col. 128.

⁹³ The foreboding of James Mason, *ibid.*, col. 77.

⁹⁴ *Ibid.*, col. 70.

⁹⁵ See *ibid.*, cols. 113-16.

⁹⁶ *Ibid.*, col. 74.

⁹⁷ See speech of Richard Holt, *ibid.*, col. 81.

⁹⁸ See, for example, the speeches of two Tory MPs, Henry Cavendish-Bentick and Waldorf Astor, *107 H.C. Deb. 5s.* cols. 82-85 & 93-97 respectively.

⁹⁹ George Roberts, introducing the brief second reading debate on the Wages (Temporary Regulation) Bill, *110 H.C. Deb. 5s.* col. 3311 (18 Nov. 1918).

¹⁰⁰ George Roberts, *ibid.*

¹⁰¹ *115 H.C. Deb. 5s.* col. 708, during second reading debate of the Wages (Temporary Regulation) Extension Bill, 5 May 1919.

¹⁰² See P.B. Johnson, *Land fit for heroes. The planning of reconstruction 1916-1919* (Chicago, 1968), p. 235. The rise of the shop-stewards movement was certainly a product of this disillusionment, and with the official union leadership's collusion with the government.

¹⁰³ Cmd. 135, p. 153.

¹⁰⁴ In *More than munitions*, p. 44.

¹⁰⁵ R.H. Tawney, "The abolition of economic controls, 1918-21", in J.M. Winter, *History and Society. Essays by R.H. Tawney*, p. 139.

CHAPTER FOUR

THE ‘LOWEST COMMON DENOMINATOR’

TRADE BOARDS CONSENSUS, 1918-1939

This chapter is chiefly concerned with the vicissitudes of trade boards during the inter-war period. Perceptions of the performance of trade boards, these being the most extensive model of wages board machinery, determined not only the fate of government policy towards this specific brand of statutory minimum wage apparatus, but the course of a broader legal minimum wage policy.

This chapter will demonstrate that both sides of industry and government eventually coalesced around the notion that representative wages boards were the only acceptable means for implementing legal interference in wage rate determination. This ‘lowest common denominator’ justification for the wages board consensus was a result of the broad acceptance that voluntary collective agreements were the most desirable means of wage regulation.

The Trade Boards Act of 1918 transformed their status. Instead of being relegated to a ‘less eligibility’ anti-sweating role in marginal economic sectors, trade boards ‘were placed in a relation to the normal negotiating machinery of industry which they had not previously held.’¹ Two elements of this ‘reconstruction’ measure accounted for this metamorphosis. Firstly, boards were established in trades where ‘no adequate machinery exists for the effective regulation of wages throughout the trade’.² Accordingly, sixty-three trade boards covering some three million workers were operational by 1921,³

covering trades where prevailing wage rates were low (but not necessarily exceptionally so), and organisation amongst both workers and employers was patchy (though not necessarily absent) and insufficient for the purposes of collective bargaining. Secondly, the functions of these more widely applicable boards were enhanced. Permissive powers now enabled trade boards to fix juvenile and learner rates, piece-rates and overtime rates, in addition to their statutory obligation to fix general minimum time rates. Trade boards were thus empowered to regulate wages, and have some indirect control over hours,⁴ for *all* grades of workers, rather than merely those engaged on the lowest-skilled processes.

Thus by mirroring many aspects of collective bargaining machinery, trade boards had emerged from the 'shadows' of industry to become an important concern for both employers organisations and trade unions during the inter-war period. Moreover, in spite of the official line that trade boards were intended primarily for safeguarding the wage standards of vulnerable, predominantly female, workers, the regulation of skilled, invariably male, wage rates were to prove just as important a concern for trade boards after 1918. Therein lay the danger for the trade boards system. By their extension towards 'mainstream' sectors of industry the trade boards encroached upon territory occupied by trade unions and employers organisations. Consequently, whereas trade boards had basked in mainstream bipartisan support whilst at the same time languishing in relative obscurity prior to 1918, during the inter-war years they were, on occasion, at the centre of industrial and party political conflict.

This chapter will chart the hostile challenges faced by trade boards during the inter-war years. The period when the government, trade unions and employers organisations all accepted the ‘Whitleyite’/1918 Trade Boards Act expansionist vision for trade boards was confined to the brief era of prosperity and ‘reconstruction’ between 1919 and 1920. Thereafter, the trade boards’ ‘honeymoon’ ended abruptly with the onset of the severe economic depression in 1921. Employers unleashed a tide of hostility against the system, and the government appeared sympathetic to their protests. Having already curtailed trade board expansion and even abolished agricultural minimum wage machinery in September 1921⁵ the government appointed a committee under Lord Cave to investigate the working and effects of the system.

The respective attitudes of employers’ organisations, the trade unions, and government towards wages boards centred on five main issues, each of which will be discussed below. Firstly, the extent to which trade board minima were observed and enforced was crucial to their credibility. Secondly, the appropriate level of the rate fixed, and its perceived effects on employment and wage levels, both within the trade and beyond to ‘outside’ sectors, was a key feature of the minimum wage debate. Thirdly, given that Britain’s minimum wage apparatus was of a deliberately devolved, semi-autonomous, representative character, strong feelings abounded as to the appropriate composition of the trade boards. Fourthly, argument raged over the appropriate jurisdiction and coverage of minimum rate determinations. Finally, the perceived effects of trade boards on industrial organisations was perhaps the single most important factor governing their popularity on both sides of industry, and the TUC, in particular.

The Cave Report of 1922, whilst endorsing the retention of existing trade boards, formalised the brake placed upon the further expansion of the system. However, although this Report was to dictate the spirit of government policy towards the trade boards for the subsequent decade, its more drastic recommendations involving a neutering of their rate fixing powers were never implemented. No sooner had the employers become reconciled to the continuation of the existing trade boards the TUC began to doubt its commitment to them. By echoing the tone of the Cave Report in key respects, the TUC's own Committee of Enquiry Report in 1930 served to cement the 'lowest common denominator' wages board consensus during the 1930s. Thus this chapter will demonstrate that the TUC's policy ultimately must share responsibility with the Cave Report for constraining the development of the trade boards system.⁶

For the first two years after the armistice, the expansion of both the role and coverage of trade boards aroused very little hostility. The widespread expectation of fundamental social and economic change in Britain during the 'special mood'⁷ which infected even politicians of the right during the early months of 1919 does not solely account for this. In a potentially volatile period of adjustment to peacetime production, many employers newly subject to trade board jurisdiction could appreciate the benefits of an established mechanism for the orderly settlement of wage rates. Additionally, employers could welcome the apparent guarantee that their domestic competitors were bound to pay their workers identical minimum rates.

Capitalising on this sanguine attitude, Robert Horne, Minister of Labour from January 1919 to March 1920, though having apparently ‘little affection for progressive social policies’,⁸ proceeded to earmark scores of trades for statutory wage regulation. However, Horne’s enthusiasm for trade board establishment was arguably motivated by a desire to forestall momentum for the ‘national’ minimum wage policy recommended by the National Industrial Conference.⁹ Either way, he presided over the great expansion of trade boards across many sectors of industry. For example, trade boards were extended to cover all sections of the clothing industry, some isolated textile producing trades, such as jute and rope manufacture, and several minor metal-moulding trades on the fringe of the engineering sector concentrated in the west midlands.¹⁰ Of course, the extension of trade boards to the periphery of such heavily organised sectors naturally forged them into a closer relationship with pre-existing voluntary collective bargaining machinery.

Expediency undoubtedly governed the selection of trades for statutory wage regulatory board coverage. In response to urgings from the labour movement, the Ministry of Labour planned to extend trade boards into the nation-wide retail and distributive sector.¹¹ In the event, only Milk Distributive and Grocery Trade Boards were established in this sector before trade board expansion was halted in 1921.

Indeed, trade union representatives at the National Industrial Conference complained of the ‘slow and cumbrous’, ‘gradual and piecemeal’ tempo of trade board extension,¹² and the Women’s Employment Committee Report endorsed this complaint.¹³ Thus, as mentioned in Chapter Three, the

November 1918 Wages (Temporary Regulation) Act had to be renewed twice. The Trade Boards Act of 1918 had been justified on the grounds of safeguarding the wartime advances in the working conditions of women, whose wages had been raised to an unsustainable, transitory 'jerry-built perch'¹⁴. However, even after the final expiry of the Wages (Temporary Regulation) Act on 30 September 1920, one Labour MP could still complain that some trade board rates were not yet obligatory.¹⁵

Unions were particularly anxious that the government safeguard wage standards during the first few months of 1919, when working class earnings suffered. The announcement of the armistice caused a widespread fall in earnings as working hours were cut back and many munitions workers were simply laid off. Most of British industry moved to reduce the working week to a new 48-hour standard in 1919. Whilst this was a progressive move, most working men and women naturally required a rise in wage rates in order to preserve total earnings during a period of rapid price inflation.

Although hampered by a shortage of personnel, ministers explained the delay in establishing trade boards in terms of the need to make thorough enquiries into each trade, not least so as to draft a precise definition of it.¹⁶ Nevertheless, the pace of trade board expansion quickened during 1920. The 'unions quickly recognised some of the possibilities inherent in the new stronger trade boards',¹⁷ and attempted to make them work in the interests of organised labour. In order to co-ordinate the voice of organised labour on the boards the TUC sanctioned the creation in January 1921 of the Trade Boards Advisory Council.¹⁸

A majority of employers affected by the establishment of trade boards seem to have reacted in a similar manner to the trade unions during 1919-1920. Broadly, they remained unabashed at the prospect of statutory regulation and organised themselves so that they could make the new machinery work in their favour. Indeed, for many trades subject to wartime regulation, trade boards offered the prospect of less state interference and a genuine move towards 'home rule for industry'.

Of course, the underlying economic prosperity of these years when most of the initial trade board rates were negotiated helped foster this relaxed attitude amongst employers, as did the removal of the 'sweated' taint from trade boards via the 1918 Act. Clearly, the jute manufacturers were never reconciled to the imposition of trade boards on their industry,¹⁹ but more symptomatic was the response of the Corset Manufacturers Association. Behaving in a characteristically 'businesslike' manner, they raised no opposition to the proposal and proceeded to negotiate with Ministry of Labour officials regarding the scope of the board and their representation on it. They also secured the services of C.J. Healy, a solicitor who was the Secretary of several other clothing employers' organisations covered by trade boards. Corset manufacturers had thus already co-ordinated their negotiating stance in time for the first meeting of the board.²⁰

J.J. Stark, Secretary of the National Federation of Laundry Associations, succeeded in persuading the National Confederation of Employers Organisations (NCEO) of the desirability of a wider degree of employer co-ordination on the boards. The Trade Boards (Employers') Consultative Council (TB(E)CC), closely aligned with, but independent from

the NCEO, was up and running by November 1919.²¹ However, given that the General Secretary of the National Union of Manufacturers complained as late as February 1921 that he 'had great difficulty in securing the list of Employers' Representatives in the various industries where Trade Boards have been set up',²² doubt must be cast as to how ubiquitous the TB(E)CC was amongst even the constituency of employer organisations, at least prior to the onset of the depression. Indeed, for the first year of its existence, it was concerned with only one really contentious issue: side voting, whereby the majority vote of one side counted as its total vote. This practice affected a mere handful of boards in trades where a significant proportion of co-operative or sub-contracting employers operated.²³

However, the onset of a slump, by the beginning of 1921, roused many employers hitherto untroubled at being subject to trade board jurisdiction. During the period of high and rising wages employers who, whilst paying rates in excess of the legal minima, would have barely noticed the operation of trade boards suddenly discovered a major obstacle to downward revisions of rates beneath the legal 'floor'. Thus in sharp contrast to the inaugural boards which had found their feet during the pre-war boom, dozens of new trade boards experienced a baptism of fire during the trade depression.

The sudden rediscovery of orthodox economic principles by the government exposed the trade boards to the clamour for 'economy', 'de-control', and wage reductions, which were deemed necessary to restore British industry's competitiveness and facilitate a business revival. Pointed questions were now asked in the Commons about the administrative cost of trade

boards.²⁴ Against the harsh economic backdrop of widespread short-time working, layoffs and bankruptcies, the prospect of trade boards realising the hopes of their sponsors in fostering a consensual spirit between employers and workers was slim.

On 14 February 1921 the NCEO endorsed the stance of the TB(E)CC in calling for a halt to the establishment of any further trade boards.²⁵ Within a month the Cabinet abruptly forbade any such expansion.²⁶ Some employers' organisations called for a more radical course of action. For example, on 17 February 1921, the National Union of Manufacturers decided to press for the abolition of the trade boards.²⁷ The Association of British Chambers of Commerce and the Birmingham Association of the Engineering Employers Federation (EEF) also called for the abolition of trade boards, albeit in the latter case only 'so far as they applied to the industries covered by these Federations.'²⁸

The patchy trade board coverage across the light engineering sector served to exacerbate the sense of injustice felt by those employers who, already exposed to the cut and thrust of the international market, were also subject to trade board regulations. J.G. Newey, a Birmingham-based Pin, Hook & Eye and Snap Fastener employer, fumed that 'we have always been able to negotiate successfully with our employees, and we very much resent the intolerable interference of this Government Committee [*sic*].'²⁹ Influential sections of the press and parliament supported the employer backlash against the trade boards.³⁰

Whether a majority of employers aside from the most vocal opponents of trade boards really were desperate for their complete abolition is a moot

point. In spite of the pressure faced by employers during the slump, the abolition campaign may have represented little more than an effective method of inducing reductions in trade board minimum rates and influencing a climate of opinion which tolerated evasion of 'unfairly' high legal minimum rates. Both the NCEO memorandum on trade boards and an EEF-sponsored enquiry into the workings of the Perambulator and Invalid Carriage Trade Board in 1921, whilst considering the abolition option, were prepared to settle for a reversion of trade board policy to the anti-sweating principles underlying the 1909 Act.³¹ Admittedly, industries such as jute manufacture and retail bespoke tailoring contained a high proportion of employers fundamentally opposed to trade boards. However, the real bugbear of moderate-minded employers was the artificially high real level of trade board minimum rates, once prices had begun to plummet, rather than the principle of a legal minimum rate *per se*.

Either way, it is clear that the Ministry of Labour attempted to placate employers in 1921. Apart from Macnamara's refusal to abolish those trade boards already established, most policy decisions favoured the interests of employers. Long-promised boards were never established and the ministerial veto on confirming trade board rates was exercised frequently as a means of forcing reductions upon them.³² The labour movement was naturally furious. As far as they were concerned, the need for trade boards to safeguard living standards and prevent exploitation was more urgent in a depression than in prosperous times.³³ As for the axiom that wage reductions were an economic necessity, organised labour 'did not accept that they had reached an ideal state in 1918 and that their standard of living should be pegged at that level for

evermore. On the contrary, they felt justified in seeking a higher standard.’³⁴ In response to the assault on trade boards, unions swallowed lingering reservations concerning their desirability and campaigned vigorously in their defence. The Labour Party conference in June 1921 condemned ‘the organised opposition of employers to Trade Boards, and the ineptitude of the Government in the matter. It views with grave concern the reactionary attitude of the Government, in contrast to the arguments used when the Amending Act was introduced in 1918.’³⁵ TUC-organised demonstrations in support of trade boards were held in several large cities during the autumn of 1921.³⁶

In fact, inadequate enforcement of trade board determinations weakened their credibility amongst trade unions and employers’ organisations alike.³⁷ The idiosyncratic and frankly suspicious ‘libertarian’ attitude of a Manchester-based Rope, Twine and Net manufacturer who was ‘not keen on the appointment of inspectors, and would rather have too little than too much of that kind of thing’,³⁸ was certainly not shared by the NCEO or the TUC. Even J.J. Mallon, one of the greatest champions of the trade boards, ‘had every reason to believe that there was evasion on a large scale.’³⁹ Likewise, an executive member of the Federation of British Industries feared that the Trade Boards Act was ‘likely to become a dead letter, because the smaller firms ... find that it is comparatively safe to ignore the Trade Board altogether, as they never see an Investigating Officer and no questions are ever raised.’⁴⁰ The temptation for employers to side-step their obligations was naturally greater during adverse economic conditions. For example, almost half of lace

finishing firms appeared to have responded to the, admittedly ill-timed, February 1921 increase in trade board rates by ignoring them altogether.⁴¹ In some instances, workers fearing destitution and faced with the alternative of being offered insufficient work at trade board rates, colluded with employers to undercut legal minima.⁴²

Addressing this Achilles' heel of the trade boards system was crucial to its reputation. However, at no point during the inter-war years was the size of the Trade Boards Inspectorate commensurate with the task it faced. The inspectorate numbered just 39 officials early in 1923. The two Labour Ministers of Labour, Tom Shaw and Margaret Bondfield, both acted to increase the TBI's resources in 1924 and 1929 respectively, but even at its peak, only 62 officers were charged with ensuring that 1¼ million workers in trade board trades received their minimum rates. Furthermore, during the 'Great Depression', when the need for such inspectors was arguably greatest, the National Government cut their number 'for reasons of economy'.⁴³

The Ministry of Labour liked to claim that inspection figures revealed an underpayment rate in respect of just three per cent. of workers. However, this figure was an underestimation of the problem of evasion.⁴⁴ Firms were rarely prosecuted for underpaying their employees, and the Ministry usually undermined the letter of the law further by quietly compelling defaulting employers to repay their workers only part of their arrears.⁴⁵ Gillespie found that Ministry of Labour officials failed even to inform some workers that their employers had been ordered to repay arrears to them, on the grounds that 'publication of the arrears would create "friction between worker and employer"', particularly if the ministry had settled by compromise, without full

repayment.’⁴⁶ The unions were concerned that enforcement of minima to piece workers was particularly lax.⁴⁷ However, there is an uncomfortable grain of truth in Dorothy Sells’ assertion that ‘relentless’ enforcement of minima during recessions could have aggravated ‘unemployment and hardship that would tend to undermine the acts or bring the minimum wage rates down.’⁴⁸

In fact, both the (TUC) Trade Boards Advisory Council and the Trade Boards (Employers’) Consultative Council had been frustrated with certain aspects of trade board administration even before 1921. In particular, trade boards resented their lack of autonomy from the Ministry of Labour. Although the Ministry’s powers over individual trade boards clearly worked in the interests of employers during 1921, Sydney Pascall, a leading figure in the TB(E)CC worried that, ‘If ever a Labour Ministry came into power, this centralisation of function might be highly dangerous.’⁴⁹ Both Dorothy Sells and Rodney Lowe identified the fusion of these pre-existing ‘internal’ administrative tensions with the ‘external’ economic pressures as the cause of the trade board crisis in 1921.⁵⁰ More importantly, Lowe has argued convincingly that the Treasury deliberately crippled trade board policy in 1921 by denying the Ministry of Labour sufficient funds to administer them properly.

The fate of the Grocery Trade Board epitomised the trade board crisis during 1921. Along with the Milk Distributive Trade Board, it was the ‘first incursion into the retail trade (where both the workers’ need for and employers’ resistance to minimum wages were at their greatest)’.⁵¹

Macnamara refused on three occasions to confirm the rates agreed by the board, with the appointed members siding with the workers' representatives. The Minister considered that the rates proposed were too high for smaller rural shops to bear, but Labour MPs pointed to the statement issued by the appointed members of the Grocery Board denying this.⁵² Tory MPs were active in lobbying Macnamara to reject the proposals, aware of both the importance of this large nation-wide Trade Board to the prestige of the whole system and the sharp fall in prices since the rates were first proposed.⁵³

Clearly, arbitrary over-riding of trade board decisions was not a satisfactory government policy in response to the increasingly strident anti-trade board campaign. Accordingly, on 21 September 1921 Macnamara announced the appointment of the Cave Committee. In view of the controversy caused in the labour movement by some of the recommendations contained in the April 1922 report, it is worth noting that the Committee included three representatives from that quarter, all of whom signed the report.⁵⁴

The appointment of the Cave Committee was to lower the temperature of debate concerning trade boards and allow the supporters of the trade board principle, or at least those whose criticism fell short of outright hostility, their voice over the din of the abolitionist campaign. In fact, the Cave Committee hearings revealed that a clear majority of employers concerned favoured the retention of trade boards, albeit with modifications to their procedure to render their decision-making process speedier. Feedback from a questionnaire circulated by the TB(E)CC to the employers side of all the trade boards

revealed that majority 'opinion favours the continuance of some system which will provide for the regulation of wages enforceable by statute on all Employers in the Trade.'⁵⁵ Furthermore, J.J. Mallon reported to a (TUC) Trade Boards Advisory Council Meeting on 30 September 1921 that 'various representatives of employers on Trade Boards which have been established for some time had agreed to sign a statement for publication, expressing their satisfaction with the Trade Board in their trade and dissenting entirely from the attempts being made to abolish or suspend Trade Boards.'⁵⁶

An analysis of the main criticisms and issues raised during the Cave Committee Inquiry will now follow. The *perceived* effects of trade boards amongst employers and trade unions are especially important, as these collective opinions were vital to the evolution of minimum wage policy along wages board lines for so long.

One of the most important issues before the Cave Committee was the allegation that the 'high level of the minimum rates fixed by the Boards, together with the absence (in some instances) of any provision for differentiation to meet special local conditions, have caused loss and dislocation of trade'.⁵⁷ Manufacturers in trades subject to foreign competition naturally championed this argument. Average trade board minima did not begin to fall until May 1921, about six months later than rates in unregulated industries. Furthermore, as trade boards found compromise between the employers' insistence on a rate corresponding to 'what the trade could bear' and the workers call for a 'living' wage, minimum rates naturally failed to fall to the extent demanded by the employers. Doubtless, knowledge of this fact and as a mirror to the negotiating strategy of the unions, employers were apt to

exaggerate the level of wage reduction deemed necessary. Graham Williams, a Pin, Hook & Eye and Snap Fastener employer, protested that export sectors of trade board trades were 'doomed' because minimum rates were fixed 'quite regardless of the selling value of the article for which the wage is paid'.⁵⁸ The collapse of many continental currencies exposed the relatively high labour costs faced by British manufacturers: for instance, German wage levels were now equivalent to just one-third of home rates.⁵⁹ The Cave Committee concluded that 'many of the increases in wages settled by the Boards came into operation at a moment when trade was falling, and we are satisfied that in some instances the additional burden so imposed on traders made it difficult for those traders to adjust themselves to the altered conditions.'⁶⁰

As the Report credited trade boards with stimulating efficiency, this conclusion was a little hasty. Indeed, many of the arguments put forward by employers attributing unemployment in their trades to the boards were countered effectively by the other witnesses. Whilst even R.H. Tawney conceded that by stimulating a more efficient utilisation of labour and capital, trade boards would render some inefficient workers unemployed,⁶¹ the labour movement could argue that many factors accounted for the dislocation suffered in trade board industries. For instance, long term structural shifts away from retail workshop towards wholesale factory production and changes in fashion in the clothing industry, together with a mechanisation and decasualisation of work processes in many trades caused some workers to suffer displacement. Arguably, however, such trends worked in the interests of the majority of employees remaining in those industries. Furthermore, so severe were the problems in some trades, and unrelated to the presence of

trade board regulation, that Jute and Flax industry trade union officials claimed that employers could not guarantee a revival in business even if wage rates were halved.⁶² In other words, for industries suffering from severe structural afflictions, wage rates were not the chief problem.

The labour movement was forthright in its conviction that 'the general causes of the depression in non-Trade Board trades are ample to account for the depression in trades under the Boards.'⁶³ Henry Clay, Professor of Economics at Manchester University, supported this standpoint with his assertion that unemployment in trade board industries was generally lower than the average.⁶⁴ Besides, far from minimum rates diminishing 'zeal on the part of the operatives, who look upon the wage conditions regulated by the Boards as something totally independent of their own exertions and worth',⁶⁵ even those employers railing most ferociously against the burden of unsustainably high trade board rates recognised that increases granted in 1920 'on account of the increased cost of living have not equalled that increased cost as represented by Board of Trade figures'.⁶⁶ If trade boards had not granted extravagant awards to workers, surely it was fair to regard them as victims of the general depression in trade, rather than as one of its perpetrators. After all, most trade boards implemented significant reductions in rates during 1921-1922.

However, by fixing uniform national rates for their trades, some boards were culpable to the charge of aggravating unemployment levels in districts. Mr. Unwin, chairman of the Hair Manufacturers Association, charged the trade boards with 'gradually but surely sapping the life and vitality of the small urban districts of this country and driving the workers into the large

towns and cities'.⁶⁷ Macnamara, alive to such criticism, forced several boards to fix lower rates applicable to remote localities in areas such as Cornwall and the far north of Scotland.⁶⁸ However, responsibility for ensuring that the composition of most trade boards was drawn from the large industrial centres lay firmly with the Ministry of Labour, which determined the membership of trade boards.

On the other hand, trade boards stood little chance of achieving their role of improving the real wage rates of unorganised workers if they held back from ever raising rates above those prevailing in the lowest waged districts of the country. A TB(E)CC-circulated questionnaire in any case revealed that district trade committees, which provided an arena for employers to lobby for varying rates, were undervalued by employers in the few trade board trades which had established them,⁶⁹ the retail bespoke tailoring sector aside. Of course, many manufacturing employers represented on trade boards remained wary of any regional variation in rates as they appreciated the value of a minimum rate in checking any legal undercutting by their non-federated rivals.

Nevertheless, where trade board determinations affected the engineering sector, employers protested that the lack of district variation in statutory rates was contrary to the traditions of their industry. Agreements reached between the trade unions and the EEF provided for differential district rates.⁷⁰ The West of England Association of the EEF recommended a compromise along the lines of engineering industry practice: district minimum rates, to apply across all those industries covered by trade boards, subject to periodic uniform national variation.⁷¹

Workers' and employers' representatives on both the dressmaking and millinery trade boards recognised their notorious error in fixing their initial juvenile rates at too high a level. Nevertheless, in view of the practice whereby employers had hitherto not paid beginners in the above trades, or had even received a modest lump-sum payment in return for teaching girls the trade; a practice forbidden by the 1918 Trade Boards Act,

The imposition of any rate (however low) was likely to cause dislocation in such cases. The Boards' initial policy in fixing rates for learners was ascribed partly to a desire to attract learners into trades which had been starved of recruits during the war, when other and more remunerative occupations were open to young girls, and partly to the existence of relatively high statutory rates prescribed under the Wages (Temporary Regulation) Act and in operation when the Boards Started to legislate.⁷²

As atonement, in 1921 both the above-mentioned boards cut their starting rates for 14 year-olds by forty per cent.⁷³ In general, the Cave Committee commended the craft industry trade boards for 'encouraging the revival of apprenticeship and in placing the industrial training of juveniles on a sound and progressive basis.'⁷⁴

Regarding the wider issue of the relationship between juvenile wage scales and adult rates, unions were sensitive to the danger that employers would substitute youths for full-aged workers. Thus from their perspective, rather than minimum rates causing a deficiency in the number of young workers entering trade board trades, the proportion of such workers threatened the general wage standards of adult (male) workers. This was a particular risk

for men employed on lesser-skilled processes.⁷⁵ It was widely acknowledged that in remoter districts, milk distributive employers engaged juvenile roundsmen in preference to adults entitled to full rates.⁷⁶ Accordingly, the Trade Boards Advisory Council recommended in 1931 that boards should be given powers to regulate the proportion of juveniles working in their trades.⁷⁷

During the recession of the early 1920s, some employers may have felt justified in evading the spirit of legislation by substituting lower-rated juvenile workers; because their trade board was 'cumbersome in its action and cannot cope with conditions which may undergo drastic change from month to month.'⁷⁸ Certainly, the procedure for varying rates was protracted. Even under the accelerated provisions of the 1918 Act a three-month objection period was necessary for any 'notice of proposal' to fix or vary rates, whilst after a further trade board meeting had affirmed the new rates another month was allowed for ministerial confirmation. Furthermore, some employers fretted over the rule preventing trade boards from varying rates within a six-month period.⁷⁹ However, this was a red herring, for the 1918 Act stated explicitly that the Minister of Labour had a free hand to waive this stipulation under 'special circumstances';⁸⁰ which Macnamara did on every occasion he was so requested. Responding to employers' criticism that the trade board machinery was 'not sufficiently speedy to enable trades to readjust their conditions to falling markets', Macnamara maintained that it ensured that 'adequate time for consideration and objection should be given before the decisive step of making the rate compulsory is taken. Further, ... the

procedure laid down by the Acts operated last year to delay some increases, just as now it is operating correspondingly to delay some reductions.’⁸¹

Nevertheless, in spite of the near-universal admission that trade boards acted to delay some wage reductions during periods of depression, trade unions shared with employers a frustration with the length of time taken to confirm rates agreed by trade boards. Disapproval of ministerial power to meddle with representative trade board determinations accounted for this standpoint as much as the realisation that upward movements in minimum wage rates were similarly retarded. Accordingly, the TUC favoured enactment of the Cave Committee’s recommendation that the period allowed for ministerial confirmation be halved to fourteen days.⁸² The Trade Boards (Employers) Consultative Council suggested that ‘where a rate has actually been agreed by the two Sides of the Board it should take effect immediately without having to wait for the sanction of the Minister of Labour.’⁸³

As a solution to the problem of delayed (downward) variations in minimum rates, doubtless Whitehall preferred the Cave Committee’s recommended policy option of encouraging trade board utilisation of cost of living sliding scales to any diminution of ministerial discretion. However, by pegging basis rates to a fixed real wage level, sliding scale agreements (whether based on cost of living or product selling price indices) had long-proved controversial within the labour movement. Though protecting workers from any absolute decline in real wage rates, sliding scales likewise prevented wage advances above the rates of inflation.⁸⁴ From the perspective of the early 1920s, when prices appeared to be falling inexorably, the labour movement was also anxious lest wage levels revert to their pre-war level.⁸⁵

Cost of living sliding scales offered no guarantee against this possibility. Consequently, only a handful of trade boards adopted minimum rate scales on the basis of cost of living index figures,⁸⁶ and the majority of these boards moved away from them once the period of rapid price fluctuations appeared to have passed by in the mid-to-late 1920s.⁸⁷

The role of trade boards in placing a brake on (downward) wage-rate variations had an effect beyond the legal scope of their jurisdiction. Employers affected by this 'external' pressure felt aggrieved. For instance, wage rates guaranteed by trade boards connected with the engineering sector were significantly higher than those imposed by the EEF after their victorious lockout in 1922. In February 1923 hollow-ware employers protested that:

Although the Hollow-ware Trade was formerly reckoned a badly paid trade in comparison with the average of others in the district (this being the ground on which the Trade Board was established in 1913), the employers affected by the Hollow-ware Board now find themselves compelled to pay rates to their lowest classes of workers considerably in excess of those arranged between the ... Employers and the Unions.⁸⁸

It was no wonder that F.D. Lamb, of the EEF, wanted trade boards 'to keep off the grass as far as light engineering was concerned.'⁸⁹

In fact, trade boards enjoyed only a narrow room for manoeuvre in fixing minimum rates. As prevailing wage levels for lesser-skilled workers barely reached 'poverty line' standards, trade boards exposed themselves to potentially dangerous criticism from government and both sides of industry for being too successful at raising minima to the level of, or above, those sectors

not subject to statutory regulation.⁹⁰ After all, the government opted for the trade board method of wage regulation precisely because the system did not imply any *general* regulation of wages outside these specified trades. Employers complained that it was unfair on them to be forced, under penalty of criminal prosecution, to pay minimum rates of wages *above* those levels trade unions had agreed to regard as standard for comparable work. Likewise, trade union pride was likely to be offended at the uncomfortable truth that agreements won through the collective strength of organised labour were for lower rates than those fixed by boards established for the purpose of aiding unorganised 'exceptionally' low-paid workers.⁹¹ In this context, J.J. Mallon asserted that on trade boards 'very often difficulty in raising a rate of wages lies not so much inside as outside a trade.'⁹²

A related problem resulted from the government intervening in the complex wage structure of British industry via the mechanism of trade-based wages boards: a consequence of their multiplicity was the impression left amongst ordinary employers and workers alike of the shortcomings of state bureaucracy. Because many 'trades' shared identical or very similar labour processes, it was very difficult for officials to draft watertight and exclusive definitions of what work came under the jurisdiction of which boards. It was therefore not surprising that exasperated employers and workers frequently struggled to relate these seemingly 'other-worldly' Whitehall edicts to the shop floor reality. 'The line of demarcation between Trades is in many cases very difficult if not impossible to define, with the result that in many factories more than one set of Trade Board rates is applicable, and workers may be employed in the same shop and on the same day on jobs falling under two or

more different classifications.’⁹³ The Cave Committee advocated a grouping of trade boards covering related sectors.⁹⁴ However, this idea was to prove a non-starter: for whenever the Ministry had attempted such a policy of consolidation in the past, existing or prospective minority interests amongst employers, fearing subjection of their views, protested that a single trade board would be unrepresentative.⁹⁵

Some employers blamed the (independent) appointed members for the discrepancy between legal minima and wage-rates outside the scope of trade boards:

On every occasion when an application has been made by the employers for relief corresponding to that already obtained in the surrounding trades months of delay have occurred before the appointed Members could see their way to throw the weight of their votes on the employers’ side. ... It appears ... that although, as a condition to the setting up of a new Board, it must be shown that the trade in question is a worse paid trade than those which occupy the same district, no corresponding rule applies to the working of the Board once it is established and the appointed Members are quite free to perpetrate a state of affairs in which the position is entirely reversed.⁹⁶

J.J. Stark emphasised revealingly that the ‘complaint is not that they are consciously unfair, but that they are too sentimental, probably arising from the fact that they have no actual commercial or factory experience.’⁹⁷ However, he betrayed the true cause of employer frustration with appointed members;

resentment at the erosion of managerial prerogatives that being subject to trade board jurisdiction involved.

In ordinary negotiations with labour when a mutual agreement cannot be arrived at, the employers have to tell the other side that unless they can accept their final offer they must take what action they think fit, and in many cases this has had the desired result of forcing a settlement on reasonable terms.⁹⁸

The presence of neutral, adjudicating members on trade boards rendered (EEF-style) take-it-or-leave-it 'steamrolling' tactics over employees an impossibility for employers in legal minimum rate determination.

Conversely, trade unionists were not convinced of the neutrality of trade board chairmen and their lieutenants. Taking the opposite stance of employers, Joseph Hallsworth, General Secretary of the National Union of Distributive and Allied Workers, maintained that as these independent members were drawn from the professional and governing classes, they lacked empathy with the workers' side of trade boards. Furthermore, he claimed, their social background made them too susceptible to employer representations that any minimum rate higher than those paid by the least efficient firms was likely to aggravate unemployment levels.⁹⁹

However, given the simultaneous protests at the 'high' level of trade board determinations by employers and trade union frustration with their modesty, it seems fair to conclude that the appointed members successfully steered a middle course between the opposing demands of both sides of industry. This was true regardless of the political convictions of the relevant personnel. Sheila Blackburn identified the chairman of the Chain-making

Trade Board between 1919 and 1923, Professor Frank Tillyard, as having 'pronounced Conservative politics'.¹⁰⁰ However the chairman of the Hollow-ware Trade Board at the time when employers were convinced of its insensitivity to their plight was none other than the same Prof. Tillyard! Of course, in the frequent cases where the two representative sides of a trade board could not agree on a rate, independent members were called on to 'arbitrate'. Hence, forced to choose between a rock and a hard place, appointed members naturally suffered the wrath of the losing side, which felt that its grievances had been accredited insufficient weight.

A frequent explanation given by employers for the relatively high legal minima *vis-à-vis* comparable trades was that trade boards were 'unrepresentative, in that, particularly on the workers' side ... the representative Members are all or practically all trade union Officials'.¹⁰¹ The NCEO demanded

Reform in the composition of Trade Boards ... to ensure the presence thereon of distinctive and practical representatives of the interests affected, in preference to the same set of officials, many of whom are professional agitators, only concerned in furthering the immediate interests of their particular Trade Union irrespective of ultimate consequences.¹⁰²

At the end of 1937, 87 per cent. of employers' representatives were nominees of associations, whilst 72 per cent. of workers' representatives were chosen by trade unions.¹⁰³ Although employers' organisations thus enjoyed a more generous representation on trade boards than did trade unions, this was justified by the much higher levels of organisation amongst employers than

workers. However, trade unionists were strongly 'against the practice of appointing non-unionists on the Boards, who represented nobody but themselves. It was representative men that we wanted, not men appointed according to geographical exigencies.'¹⁰⁴ Thus whilst employers blamed the presence of too many articulate trade unionists on trade boards for the 'high' level of minimum rates, conversely, the unions blamed the same 'low' minima on the presence of those unorganised workers' representatives dismissed as employers 'narks'.

Officialdom insisted that non-unionised workers in the trade board industries must be given a direct voice on the boards, on the grounds that 'a Trade Board is not in the position occupied by a joint negotiating body in a well organised industry. A Trade Board is established under statute to represent a trade which cannot be represented as a whole by a voluntarily constituted body. It is further empowered ... to reach conclusions which are enforceable at law throughout the trade.' Therefore the Ministry was anxious to ensure that trade boards included members representative of: the principal districts in which the trade was carried on; the principal types or sections of work in the trade; the principal grades of workers in the trade; and male workers and female workers separately.¹⁰⁵

The Cave Committee Report went some way to meeting employer grievances on this point. Although it acknowledged the need for representatives 'generally skilled in industrial conditions and well qualified to understand and put forward the views of the workers employed in the trade', it nevertheless recommended that 'not less than three-quarters of the

Representative Members on each side shall be or have been engaged in the trade in question.’¹⁰⁶

Nonetheless, in trade board industries where the unions had managed to organise a moderate, albeit still a minority, proportion of workers, the Ministry allowed them to ‘punch above their weight’ in terms of trade board representation. For instance, a 1935 (TUC) TBAC survey of the Brush and Broom trade revealed that though every workers’ representative seat on the board was occupied by a trade unionist, the coverage of the only significant union in the trade, the National Society of Brushmakers, was modest. It’s membership embraced just 27.3 per cent of male workers, concentrated in the skilled branches of the trade, and 11.8 per cent. of female workers, a 20.2 per cent. coverage overall.¹⁰⁷

The debate surrounding the form of minimum rates fixed by trade boards will now be analysed. As neither the 1909 nor the 1918 Acts laid down criteria upon which trade boards should base their minima, much variation naturally ensued. For instance, boards accorded different levels of importance to factors such as the ‘value’ of the work done, the cost of living index figure, wages in comparable trades, the desirability of a ‘living wage’ (assuming the possibility of an agreed formula for such a calculation), and the general economic health of the trade and its capacity to afford higher real wages. J.H. Richardson’s flimsy argument regarding the ‘closeness’ of trade board minimum rates¹⁰⁸ was based on his calculation that eighty per cent. of men’s hourly rates were fixed between 11*d.* and 14*d.* However, the reality was that one-fifth of male minimum rates were *outside* (below) this wide band of between 44 and 56 shillings, calculated on the basis of a 48-hour week.

Richardson found that ninety per cent. of adult women's basic rates were between $6\frac{1}{4}d.$ and $7\frac{1}{2}d.$ hourly, 25 to 30 shillings per week. However, both the trade unions and Whitehall viewed the lack of uniformity in rate-fixing criteria as a strength of the trade board system, for it rendered the machinery sufficiently flexible to deal with the special circumstances of a particular trade.¹⁰⁹ By contrast, it was clear that many employers considered that the trade boards should confine themselves merely to fixing 'a rate which would be relative to the lowest class of labour in the least well equipped factory.'¹¹⁰

The simplicity, not to mention the necessarily modest level, of a near-uniform basic minimum rate clearly appealed to manufacturing employers exposed to foreign competition. They resented the provisions of the 1918 Act for boards to fix rates for (skilled) 'special classes' of workers, powers which were utilised by over half of all trade boards. 'We deprecate the fact that the Trade Board has gone beyond its legal obligation to fix a general minimum rate for the industry, and has fixed rates for semi-skilled and skilled classes of labour. These classes are organised in powerful Trade Unions, who are quite capable of protecting the interests of their members'.¹¹¹ In addition, the National Confederation of Employers Organisations considered the 'general minimum piece-rate' and the 'piece-work basis time rate' methods of guaranteeing minima for piece-workers, enshrined in the 1918 Act, as 'wholly antagonistic to the principle of payment by results, the only method of obtaining adequate and encouraging increased production.'¹¹²

In some trades, where organisation on both sides was strong enough to negotiate agreements, but insufficient to render them enforceable, trade boards

were utilised to make compulsory these collective agreements across the whole trade. This process has been aptly described by James Gillespie and represented the appropriation of representative trade board machinery by organisations on both sides of industry anxious to promote their sectional interests.¹¹³ Hence, against the old union fear that minimum rates would become standard, trade board determinations in this context made the realisation of 'maximum' rates for many workers more likely. Some of the clothing and light metal trade boards were amongst those embracing this habit.¹¹⁴ The practice of pushing collective agreements through trade boards was stimulated by wartime arbitration experience. A joint committee representing employer and worker interests in the wholesale clothing trades was a product of the first of four Committee on Production awards between October 1917 and 1919.¹¹⁵ This evolved into an established forum for negotiating collective agreements. Following conferences between the WCMF and the unions, the arbitration awards were merged into the Tailoring and Shirt-making Trade Board rates in July 1919.¹¹⁶ Concurrently, the Tin Box Trade Board agreed to enshrine an Interim Court of Arbitration award covering the representative organisations across the scope of the trade.¹¹⁷ Genuine collective bargaining agreements followed the adoption of these arbitration awards by certain trade boards. On 31 January 1920, the WCMF came to a comprehensive national agreement with the Garment Workers' Union and the AST&T, covering overtime and annual holiday arrangements in addition to wage rates and hours terms. Henceforth, relevant terms of this agreement governed the legal determinations of several trade boards.¹¹⁸

Adherents of Whitleyism would have surely been heartened that trade boards were fulfilling their apportioned role of substitute joint industrial councils by regulating conditions of work via collective agreements. However, even allowing for the meagre level of support remaining for the 'reconstruction' ideal within Whitehall by 1921, the Ministry of Labour disapproved of trade boards being utilised for the purpose of legalising collective agreements, as this affected interests not party to such negotiations. Clearly, there was a democratic deficit involved in the compulsory extension of voluntary agreements.

In 1921 the Minister of Labour frowned upon the proposal by the Wholesale Bespoke Tailoring and the Wholesale Mantle and Costume Trade Boards to co-ordinate their minimum rates in accordance with an agreement negotiated between the Garment Workers' Union, the AST&T and the WCMF.¹¹⁹ He deplored a clause in the national agreement that required all parties to undertake not to oppose on a trade board the ratification of rates, as 'the Board is unable properly to carry out its statutory duty of considering fully the objections lodged against the proposals.' Moreover, representative members not party to the agreement and appointed members were disenfranchised from the rate-fixing process. This situation was compounded on those clothing trade boards that employed the 'side-voting' procedure to drown out the voice of small and self-employed businesses. Faced with the combined weight of majority opinion on both sides of the trade boards concerned, the Ministry's protests came to nothing. Despite Macnamara's thinly-veiled threat 'to consider seriously whether ... the circumstances in this trade have so changed that the application to it of the Trade Boards acts is no

longer expedient', he was forced to concede 'with considerable difficulty', a confirmation of the wishes of the trade boards.¹²⁰

Not surprisingly, trade board members from the representative organisations involved in the collective bargaining machinery could not see what all the fuss was about. Both employers' and trade unionists stressed the value of legal enforcement of their agreements in terms bolstering the observance of trade board minima. David Little, a leading member of the WCMF, maintained that, 'a settled rate, agreed between the two sides, is the rate that is going to stand'.¹²¹ A collective agreement translated into statutory minimum wage orders thus represented a 'belt and braces' enforcement safeguard. Naturally, trade unionists were keen to bolster such convictions amongst employers. During a conference organised between the Garment Workers' Union and the Shirt & Collar Manufacturers Federation to discuss the claim by the former for a penny rise in hourly rates, Andrew Conley was anxious to stress that his union

have not had any desire to go to the Trade Board to put up the case because as has been customary in the past we are desirous of putting a proposal to the employers side of the Trade Board and endeavouring to arrive at an Agreement outside the Trade Board ... is it not better to have an understanding with the Organisation and to know that when that understanding is arrived at you are insured against any stoppages taking place.¹²²

Conley may have regarded the option of using the forum of trade boards for determining minimum wage levels almost as a breach of faith with collective bargaining arrangements, but the fact remained that his union 'remained in the

anomalous position of never organising more than a minority of workers in the industry, yet being enmeshed in detailed collective agreements with employers concerning every branch of the industry.’¹²³

The word ‘minuscule’ would prove more appropriate than ‘minority’ to describe the level of union coverage within some of the clothing sectors, in spite of the strength of their representation on the various trade boards. S.P. Dobbs gave a breakdown of the membership of the Garment Workers’ Union across the trade board demarcations for 1922, admittedly, a year after trade union membership generally had suffered a collapse from the peak of 1920.¹²⁴ Apart from in the wholesale tailoring sector, where Conley’s union enjoyed an impressively high coverage of about half the workforce, the Garment Workers’ Union really lacked the moral authority to speak for the workers’ interest in clothing trades. Whereas the seven-thousand strong membership in the Shirt-making trade, about one-sixth of the workforce, was not too bad, the union’s membership amongst the Wholesale Mantle and Costume trade, also covered by the national agreements, was, at a little over two-thousand, about three per cent.

Trade Board enthusiasts may have indulged in much soul-searching regarding the apparent ‘hi-jacking’ of representative trade board machinery by organisations whose majority composition on the board camouflaged a far more modest level of coverage amongst the trade as a whole. After all, as trade boards were intended to foster organisation and provide a form of substitute collective bargaining machinery, it could have appeared churlish to complain that the collective agreements were insufficiently representative when great strides in organisation had been made. It is doubtful whether these

consensual agreements could have stood for long without the force of legal compulsion ensuring observance in the weaker-organised trades. Even the sidelining of the appointed members could be considered the lesser of two evils when compared with the alternative method of minimum rate determination common on the majority of trade boards: *de-facto* arbitration by the appointed members in lieu of any meeting of minds between the two representative sides. This was clearly an inferior method of encouraging employer and employee organisation and promoting better industrial relations compared with using compulsory powers to bolster voluntary collective agreements.

The concentration by trade unionists on using trade boards for securing their standard rates as statutory minima relegated the specific interests of women workers to a secondary consideration. Given that their role in safeguarding the welfare of working women provided trade boards with their primary legitimacy in the eyes of most, this was a regrettable development. However, it was also inevitable to some extent; for organised labour, whose officials were needed to provide workers' representatives of a meaningful quality on the trade boards, remained an overwhelmingly male preserve. This was in spite of the pioneering efforts to recruit working women by such unions as the National Federation of Women Workers (NFWW)¹²⁵ and Andrew Conley's Garment Workers' Union.

When determining the composition of trade boards, the Ministry of Labour made gestures to the fact that over seventy per cent. of workers under their jurisdiction were women. Every trade board except for Boot and Shoe

Repairing, where the proportion of women engaged in the trade was negligible, had one female independent member.¹²⁶ Nevertheless, female representation on trade boards remained slim. Of course, the absence of any women representing employers on trade boards was accounted for by the virtual non-existence of female business managers at this time. In those trades such as lace finishing where 'sub-contracting' middle-women were an important feature of the labour market, trade boards lacked jurisdiction over them and thus any right to include them amongst their membership.¹²⁷ Why were there so few women on the workers' side of trade boards? Three main factors are to blame. Firstly, as men formed a disproportionately high proportion of organised workers in trades with low trade union coverage, their representation was naturally exaggerated on trade boards by the Ministry of Labour, anxious to ensure that *some* representatives of unions could serve on trade boards in order to put the workers' case adequately. Secondly, even where a meaningful level of female organisation in a trade did exist, only a low proportion of trade union officials, those most likely to be asked to serve on a trade board, were women. Thirdly, the dearth of suitably confident and articulate women from amongst the downtrodden pool of unorganised workers willing to face (possibly their own) employers across the negotiating table was unsurprising. Thus, apart from a handful of trade union heroines of the calibre of Susan Lawrence, Margaret Bondfield, Madeleine Symons (all of the NUGW), Anne Loughlin (of the Garment Workers') and Julia Varley (Workers' Union), a majority of the workers' representatives even on trade boards covering a preponderantly female workforce were men.

This is not to suggest that male trade union officials necessarily were prejudiced against the interests of female workers. However, it was natural for them to serve their own constituency first; and women proved far more difficult to recruit and retain as trade union members. Not only had the labour movement long-harboured an ambivalent attitude towards the presence of women in the workforce; women's employment was characterised by intermittent spells at a single establishment, due both to the effect on their full-time careers of marriage and their common employment in a seasonal or casual capacity thereafter, and low rates of pay.

Trade boards tended thus to accept existing workplace conventions that were prejudicial to the interests of women rather than attempt to reform them. Therefore the concept of 'equal pay for equal value', which had greater meaning than equal pay for equal work', given that so few men and women were ever employed on the same processes, remained a pipe dream as far as trade board basic minima were concerned. Trade Boards accepted the contemporary convention that as men were 'breadwinners', a woman's wage need only cover the cost of her own subsistence. Dorothy Sells calculated that in 1937, average trade board minimum time rates for women were just 57 per cent. of adult male rates.¹²⁸

Furthermore, the influence of trade union officials on trade boards appeared to offer a greater safeguard to male rather than female minima. Employers were able to offer this sop to the unions because of the small proportion of men employed in such trades. For instance, the Paper Box trade board reduced both male and female hourly rates by a penny in July 1921. However, because the male rates fell from a much higher base, the

proportionate decrease in rates suffered by the women was double that of the men, at roughly ten per cent. compared with roughly five per cent.¹²⁹ In 1924 Andrew Conley testified to the anger of his female membership that the last act of the Shirt-making Trade Board had been to reduce female rates whilst leaving male rates untouched: 'the Union has suffered because we were deemed to be one of the parties responsible for the decrease taking place. We have this sort of thing thrown at us ... that the representatives of the Union sold the trade interests of the women for the purpose of safeguarding the men's position.'¹³⁰ Wage movements in the opposite direction were not necessarily good news for women either: the Cave Committee noted that the Brush and Broom Trade Board had raised the minimum rate for women in order to prevent their competing with male labour.'¹³¹

Against this dire picture of trade boards either pressurising female rates downwards or pricing women out of jobs regarded as male preserves, a reminder of the conclusion of the war-time Women's Employment Committee that 'it is in the regulation of wages by law that the most immediately helpful means of bettering women's position can be found',¹³² would have provoked a melancholic reaction amongst those such as Elizabeth Abbott. Whilst she acknowledged that 'Trade Boards did not originally create the difference in the levels of men's and women's wages', she charged that:

by being 'realistic' ... by maintaining and buttressing both the artificial divisions of work and the unequal wage-rates as a monopoly of the male worker, they have not only 'approved' those injustices; they have in fact become a huge machine for awarding little more than half the male wage-rate to the great majority of

women workers in the trades covered. ... they act both as a sop to the public conscience and a sop to the women who get improved wages.¹³³

There was much to commend Abbott's argument. Nonetheless, it is safe to conclude, as indeed Abbott did, that most women working in trade board industries earned higher wage rates than they would have done without trade board protection, however imperfect that protection may have been. In 1937 the Transport and General Workers Union claimed that women's rates in unregulated trades were generally around 22 shillings per week, about five shillings beneath the average trade board basic female time rates on 31 December 1936.¹³⁴ Furthermore, as the evidence of Clare Wightman testifies, the arguably flawed trade board forum offered women workers a greater prospect of a voice in wage rate negotiations than in sectors covered by EEF agreements.¹³⁵

Having discussed the main elements of controversy surrounding the operation of trade boards above, the main conclusions of the Cave Committee and the reaction of the British polity to them will now be analysed. Its unanimous report of April 1922 acknowledged that trade boards had 'substantially improved' 'the conditions of the poorer and less skilled workers in the unorganised trades, and particularly of women workers', and

succeeded in abolishing the grosser forms of underpayment and regularising wages conditions in trades brought under the Acts. Moreover in establishing statutory minima Trade Boards have afforded protection to the good employer, able and willing to pay a

reasonable rate of remuneration to his workers, from unscrupulous competitors, prepared to take unfair advantage of the economic necessities of their workers.¹³⁶

Nevertheless, the Report gave precedence to its 'conclusion that, while the effect of the Trade Board system on trade and industry has occasionally been stated in terms of exaggeration, there is substance in the allegation that the operation of some of the Boards have contributed to the volume of trade depression and unemployment.'¹³⁷ Such an alignment with the stance of the NCEO was further apparent in the Cave Committee's recommendations. Whilst it rejected abolition of the trade boards as against the public interest,¹³⁸ it clearly favoured the limited application anti-sweating 'ambulance' character of the 1909 Act over the general application substitute collective bargaining 'Whitleyite' principles underlying the 1918 Act.

In attempting to determine the conditions under which Trade Boards should be set up and their powers and functions when established, the Committee offered a retrograde conception of the boards' place in industry's wage bargaining apparatus. As a result of their conviction that trade boards should merely prevent sweating rather than regulate wages generally, the Cave Committee recommended that they should be applied to new sectors only where prevailing wage rates were unduly low *and* no adequate machinery existed for the effective regulation of wages.¹³⁹ Furthermore, even in cases where the Minister of Labour was satisfied that these criteria were met, he was advised not to apply the Acts unless a favourable report from a public inquiry agreed with him! Rhys Davies, trade unionist and Labour MP, protested that

these three qualifications were 'an impossible trinity' designed to 'make it absolutely impossible for a trade board to be established in future.'¹⁴⁰

Additionally, the Cave Committee held the view that, whilst the criminal law was an appropriate tool to protect workers from the evils of sweated wage-rates, *voluntary* collective bargaining was a more appropriate means for determining wages above these bare minima. Accordingly, the Report drew a

sharp distinction between the fixing of (A) a true minimum wage - that is to say, the least wage which should be paid to the ordinary worker of the lowest grade of skill engaged in the trade - and (B) those other and higher scales of payment which it is desirable to secure for the part-skilled and skilled workers. The former - the true minimum - should be fixed by the vote of a majority of the whole Board, including the Appointed Members, and when confirmed should be enforced by all the authority of the law; but the latter (which, by whatever name it may be called, will in fact be a standard rate) should be determined by agreement between the two sides of the Board without the vote of the Chairmen or Appointed Members, and when confirmed should be enforceable by civil proceedings only.¹⁴¹

The sorry experience of the agricultural workers after the abolition of their statutory minimum wage guarantees in 1921 was to demonstrate that mere *civil* enforcement of wage minima was only effective in trades where powerful trade unions could use their industrial muscle to deter employers tempted to undercut collective agreements.¹⁴²

By these two main recommendations, the Cave Report, 'in essence, advocated the burial of the 1918 Act before it had even come to full bloom.'¹⁴³ However, the Report further proposed a weakening of minimum rate fixing powers beyond even a 'return to 1909' basis: it favoured *district*, as opposed to national, minimum rate determination by trade boards in 'the distributive and retail making up trades (such as Millinery and Bespoke Tailoring) and the Laundry Trade.'¹⁴⁴ However, district level wage fixing was unpopular amongst representative industrial organisations concerned with trade boards on both sides of industry. Trade unions feared that this would tend to undermine wage standards, whereas national organisations of employers feared that the encouragement offered by district boards to local employers' organisations would adversely affect their interests.¹⁴⁵

Bearing in mind that the main recommendations of the Cave Committee overturned the Whitley Committee's ambitions for the lesser-organised trades,¹⁴⁶ contemporary commentators remained unperturbed at the proposed devaluation of the trade boards' position in the industrial system. In choosing to emphasise that the Cave Report dashed the hopes of those die-hard opponents of the trade boards who had hoped for their abolition, many of them overlooked the mutilation of the system proposed by the Cave Committee.¹⁴⁷ R.H. Tawney shared this trait. He stressed that 'the general endorsement of the system' by the Cave Committee was more significant than its specific recommendations.¹⁴⁸ The point made by Dorothy Sells that as 'most of the seriously underpaid industries had already been brought under the acts by the end of 1921 ... the pressure for establishment of new Boards was somewhat relaxed'¹⁴⁹ overlooked the fact that the embargo placed on new

trade board establishment in 1921 precluded their coverage across the distributive trades, for example.¹⁵⁰ The retail and distributive sector certainly met the criteria for trade board coverage; it was characterised by very low levels of both pay and trade unionism. However, the complexity of this sector meant that Ministry of Labour officials had yet to finalise questions of demarcation and scope by the spring of 1921.

Only the TUC appeared fully alive to the reactionary nature of the Cave Report. Margaret Bondfield spoke for organised labour's 'feeling of dismay and intense disappointment' that its evidence had not influenced the recommendations of the Committee.¹⁵¹ The TUC continued to favour the maintenance of the 'Whitleyite' basis of the 1918 Act.¹⁵² Indeed, angry trade unionist defenders of the trade boards demanded an explanation from 'the three members of the [TUC] General Council as to their reasons for signing the Cave Committee's Report.'¹⁵³ Poulton, Pugh and Bell all maintained a humbled silence but Margaret Bondfield chided her General Council colleagues: 'in matters of such great importance, affecting this large group of less well-paid workers, it is infinitely better to have a worse majority report and a strong minority report setting forth the workers' point of view than to have a compromise report, which is worse than useless.'¹⁵⁴ The ineptitude of Poulton in endorsing the Report was particularly striking. Unlike the other two TUC representatives on the Cave Committee, his union had direct and positive experience of trade boards. Indeed, so content was the Boot and Shoe Operatives Union with the working of the Shoe Repairing Board that they later desired its extension to cover the main manufacturing branch of the trade.¹⁵⁵

This was contrary to the Cave Report's rejection of trade board expansion to any sector enjoying a reasonable level of unionisation.

The government accepted the recommendations of the Cave Committee, but pending the drafting of appropriate legislation it implemented as many as feasible of the minor ones through administrative action alone.¹⁵⁶ Additionally, Macnamara used his ministerial powers to apply the conditions dubbed the 'impossible trinity' with regard to the future expansion of the system. However, the National Union of Manufacturers, the NCEO-aligned Trade Boards (Employers') Consultative Council, and their allies in parliament were all impatient for the statutory implementation of the Cave Committee's Report.¹⁵⁷

The government-sponsored Trade Boards Bill appeared only after the fall of Lloyd George's discredited Coalition and its replacement by the purely Conservative Bonar Law Ministry of the 'second eleven'. It was presented to the Commons for its first reading on 8 May 1923 but never again saw the light of day. The Bill

had no friends anywhere. It was bitterly opposed by the Labour Party as an attempt to cripple the Acts. It aroused no great enthusiasm among employers in the great trades, who, throughout, have had no particular interest in the Trade Boards system, because it can never affect them. It was not acceptable to the smaller number of employers under the acts, who were hostile to Trade Boards, because it appeared to rivet Trade Boards for ever on the country, and so far as the larger number of employers were concerned, it was

considered that some of its conditions appeared to be clumsy and not an advance on the existing conditions.¹⁵⁸

Nevertheless, the NCEO urged the government to modify the offending proposals and press ahead with the Bill 'without delay'.¹⁵⁹ The government, however, instead quietly dropped it.¹⁶⁰ Crucially, the existing trade boards were thus to retain their powers to fix legal minimum rates of nation-wide application and across many classes of work under their jurisdiction.

The advent of the first Labour government in 1924 buried any prospect of legislative implementation of the Cave Report. Tom Shaw, the new Minister of Labour, dismissed such a policy as contrary to 'the object which the framers of the original Acts had in mind.'¹⁶¹ In fact, its statutory minimum wages policy was one of the few areas where the minority Labour government made a real impact during its short existence. For these nine months, Britain had an unambiguously pro-wages board government for the only time during the 1921-1939 period. In addition to Noel Buxton's revival of agricultural minimum wage machinery,¹⁶² Tom Shaw, with his deputy, Margaret Bondfield, strengthened the Trade Boards Inspectorate, re-launched the disbanded Grocery Trade Board and initiated moves to extend the trade boards system. Investigations were launched in three trades each with a large nation-wide but scattered workforce, namely: catering, drapery, and meat distribution. Not surprisingly, the relevant employers' organisations began to flex their muscles in response. For instance, the Drapers' Chamber of Commerce was particularly hostile to the Ministry's inquiry into its trade and refused to co-operate with it.¹⁶³ Similarly, the National Chamber of Trade refused to co-operate with the Ministry's attempts to apply trade boards to the

retail and distributive sector and 'regretted that the excellent and representative report of Lord Cave's Committee on trade boards was being allowed to lie on the table.'¹⁶⁴

This obstructive policy of employers helped delay any definite application of new trade boards before the Labour government succumbed to the logic of its precarious parliamentary position and the Conservatives returned to office in November 1924. Arthur Steel-Maitland, Baldwin's Minister of Labour between 1924-1929, reversed Shaw's expansionist trade board policy and decided to disband the Grocery Trade Board.¹⁶⁵ This decision flew in the face of the Ministry of Labour's inquiries, which revealed an extraordinarily low level of wage rates being paid to the almost totally unorganised (outside those in Co-operative employment) workers in all four trades.¹⁶⁶ However, the labour movement, pre-occupied by the General Strike and mining industry dispute in 1926 and the Trade Disputes Act in 1927, failed to exploit the Conservative government's duplicity on this issue.¹⁶⁷ Indeed, the TUC probably felt some degree of relief privately when Steel-Maitland disbanded the Grocery Trade Board; as trade unionists were very anxious that their decision to lengthen the 'normal' working week from 48 to 52 hours would set a dangerous precedent for British industry.¹⁶⁸

Baldwin's government by no means bent to the employers' desired trade boards policy in every respect. Within weeks of his appointment, Steel-Maitland decided against any amendment of the Trade Boards Acts.¹⁶⁹ The TB(E)CC's continued lobbying for such a policy was thus rebuffed.¹⁷⁰ He also rejected emphatically the Cave Committee recommendation that he

should not approve minimum rates for higher grades of work in cases where the two representative sides of a trade board had failed to agree.¹⁷¹

In fact, during Steel-Maitland's tenure as Minister of Labour, a period when the international economy was relatively buoyant, trade boards began to shed their status as a subject of industrial and party political conflict and return to their pre-1921, relatively non-controversial position. For instance, both the TB(E)CC and the TUC were broadly satisfied with the government's proposals regarding minimum wage fixing machinery submitted to the International Labour Organisation.¹⁷² Employers had become generally so unperturbed by the operation of trade boards that in 1927 the TB(E)CC Secretary conceded that 'there has not been much for the Council to do during the past two years'.¹⁷³ Moreover, the Pin, Hook & Eye and Snap Fasteners Association even felt confident enough to resign their membership of the TB(E)CC with the justification, 'As a Trade Board we do not get much trouble'.¹⁷⁴ With the trade board system 'bedded in' by the late 1920s and employers in trades outside their coverage having little reason to fear their extension, very few of their number were roused against such statutory 'interference' in minimum wage rate determination. During the 'Great Depression' years of the early 1930s only a 'dribble' of complaints were heard from employers against the trade boards, a far cry from the flood of hostility unleashed on them a decade earlier.

Of course, this is not to state that all employers (organisations) were reconciled to trade boards. As evidence of the dictum that every 'rule' has an exception to validate it, the early 1920s hostility of the Association of Jute Spinners & Manufacturers remained undimmed. Their explanation for

withdrawing from the TB(E)CC was that ‘many of the other industries with Trade Boards were quite satisfied with being under a Trade Board, while we on the other hand had a different opinion’.¹⁷⁵ During the trough of depression in 1932, Jute Trade Board minima were blamed for the severe unemployment in the industry.¹⁷⁶

In résumé, three different government policies towards trade boards can be identified within just two years from 1923. Firstly, the Bonar Law government favoured firm legislative adherence to the harsh Cave Committee recommendations. Secondly, the first Labour government renounced such a Bill and favoured renewed extension of the system. Finally, the November 1924 Baldwin government settled for a ‘third way’ policy on trade boards that lasted for the remainder of the inter-war years. Whilst there was to be no significant expansion of the system, in line with the Cave Report recommendations, by pledging themselves against legislation the government ensured that the ‘wrecking’ ambitions of the Cave Committee in respect of trade boards’ rate fixing powers were sidelined. The ‘Whitleyite’ substitute collective bargaining, general wage regulatory role of trade boards as enshrined in the 1918 Act, was thus maintained for the existing boards throughout the inter-war period.

Dorothy Sells’ assertion that the trade board crisis resulting in the Cave Committee Report ‘thus turned out to be nothing more than growing pains, years since outlived’¹⁷⁷ needs to be qualified. The Cave Committee Report inflicted far more than merely temporary pain to the youthful trade boards system: it gave them a serious knock which served to all but curtail any future growth. Nevertheless, although undersized, the trade boards system proved

otherwise to be able to function normally as it reached maturity. Thus, though the trade board system made a partial recovery from the Cave Report's 'attack', its resultant stunted growth prevented it from reaching out to the extra two million workers earmarked for trade board coverage in 1919-1920 but who never received such protection. Even so, Britain's wages board system of the late 1920s remained the most extensive of its kind in the world, when their powers and extent of application were taken into account.¹⁷⁸ Furthermore, by this time, it appeared that the government, employers and the trade unions alike were broadly content with their work and coverage.

However, the following paragraphs will illustrate how the TUC moved away from its unambiguous defence of trade boards towards a more qualified endorsement of their role. It was this movement by the trade unions closer to the stance of the moderate employer towards trade boards and their reluctance to countenance their expansion to additional industries which scuppered the possibility that the 1929 Labour government would facilitate a trade board 'renaissance'.

The easing of the employer attack upon trade boards with the revival of trade in 1924 allowed those trade union critics of trade boards their voice. Some trade unionists were 'very upset about the growth of the benevolent legislation of the Government ... and other bodies to supplant the Trade Union movement.'¹⁷⁹ Specifically, contrary to the assumptions of legislators in 1909 and 1918, levels of trade union organisation in trade board industries were falling from an already meagre figure. This fact alone accounts for the cooling of enthusiasm for trade boards amongst some sections of the TUC. This is not

surprising, for in 1909 trade unions shared the belief held by Liberal ministers that statutory minimum wage fixing boards, by raising the condition of hitherto 'helpless' workers in sweated trades, would facilitate trade union organisation. Similarly, the wartime Whitley Committee hoped that the trade boards would serve as stepping-stones to *voluntary* regulation of industrial conditions.

Employers' organisations and the government alike shared with the trade unions an unwillingness to recognise the trade boards as a *permanent* feature of the labour market. However, in the mid-1920s, hopes that trade board trades could be 'elevated' to a voluntary self-regulated basis appeared forlorn. Many trade union organisers were to qualify Tawney's pre-war assertion that trade boards provided an impetus to Trade Unionism a decade later. Ellen Wilkinson acknowledged the initial spur given to trade unionism by the establishment of a trade board but maintained that 'as soon as the Trade Board got into working order the opposite tendency took place.'¹⁸⁰ Julia Varley, Chief Women's Organiser for the Workers' Union, summed up the frustrations and torn consciences of many trade unionists towards trade boards when she wrote, 'although the fixing of a minimum rate might be good for the worker in the trade, it is absolutely detrimental to Trade Unionism.'¹⁸¹

Disregarding both the universal nature of the slump in trade union membership after 1920 and the fact that trade boards had been established in precisely those trades where organisation had proved so difficult to foster, trade union officials unleashed bitter sentiments against unorganised workers in trade board industries. Indeed, such resentment against workers who 'neglected' their trade union 'obligations' were never very well suppressed by

the organised labour movement. 'Let those who refuse to join a trade union reap their own harvest. To be helped, the worker must help himself, and to help himself he must unite his efforts with those of his fellow-workers',¹⁸² urged J.L. Fine, Secretary of the United Ladies Tailors' Union. John Beard, President of the Workers' Union, charged trade boards with sapping the independent spirit of the workers: 'They tended to make the workers rely on Government patronage rather than on their own strength.'¹⁸³ C.R. Flynn, a National Union of Distributive and Allied Workers' Union official, believed that 'the Trade Board system gives a premium to unorganized workers who secure the advantages of Trade Union representation and advocacy without meeting the costs of such service.'¹⁸⁴

Echoing the demand by employers' organisations in 1921 for trade boards to revert to their original (1909) modest-coverage anti-sweating status, Ellen Wilkinson drew a distinction between the useful 'ambulance' work of the boards in sweated trades and their unwarranted application to trades 'that could be and ought to be organized.'¹⁸⁵ At heart, organised labour sympathised with the sentiments of Mrs M. Bamber, a Distributive and Allied Workers' Union official and long-time opponent of trade boards: 'I deplore sweating in any industry, but first of all I am a Trade Unionist, and I believe that the proper way of dealing with sweating is to get inside of Trade Union organisation. ... we have no right to whine about adult men and women who have not the common sense to get into the Trade Unions and protect themselves.'¹⁸⁶ The fully justified conviction amongst trade unionists that employer organisation was benefiting more from trade boards served to confirm their fears that trade boards were a cuckoo in the TUC's nest. As

noted in Chapter One, the government's earmarking of a sector for trade board coverage provided the spur to major employers concerned to establish effective organisations. So vocal had the trade union critics of the trade boards become by the later 1920s that Steel-Maitland could hide behind the excuse that he did not wish to 'kill trade unionism by kindness' for his refusal to extend the machinery to the low-paying catering and drapery trades.¹⁸⁷

In view of the necessity of formulating a definite policy on trade boards, the 1929 annual meeting of the (TUC) Trade Boards Advisory Council decided to appoint a sub-committee of enquiry.¹⁸⁸ The two principal concerns of the enquiry committee were to establish the effects of trade boards on levels of both wages and trade union membership.¹⁸⁹ Trade unions were asked to contemplate the likely effects of a withdrawal of trade boards on levels of pay and union membership and to state whether or not they favoured the extension of trade boards to other trades.

The TBAC Enquiry Committee recognised that trade boards had 'to be judged on a falling market, in which increases in rates were hardly to be expected.'¹⁹⁰ It recorded that 'the majority opinion amongst the Unions concerned is that the Boards have, following the first period of reductions from the peak of rates of 1921 and 1922, maintained rates or prevented them from falling when trade was bad.'¹⁹¹ 'As to whether Trade Boards are as effective in raising rates in times of good trade as they are in maintaining rates in times of bad trade there is some doubt, but as there has scarcely been an opportunity of testing this point in the last nine years it is difficult to arrive at any sound opinion.'¹⁹² Unions were nevertheless conscious that trade boards would delay increases as they did reductions.

In addition, the Enquiry Committee found that 'Trade Board rates compare favourably with rates in like trades to which the Acts have not been applied, except where such trades are organised.'¹⁹³ A majority of the unions concerned credited statutory minima with helping them to establish or maintain rates via voluntary agreements outside the remit of trade boards. Within trade board industries themselves, over half of the unions sampled had secured collective agreements providing for the payment of rates in excess of statutory minima.¹⁹⁴ This justified the Enquiry Committee Report's reminder in its final concluding sentence that 'the greatest importance is attached to the fact that Trade Board rates are *minimum* rates, criminally enforceable and that the trade unions remain free to secure such higher rates as, through organisation, may be possible.'¹⁹⁵

Of course, as discussed earlier, some trade unions lacked agreements providing for standard rates above the minima because they utilised trade boards for the purpose of enforcing agreements arrived at voluntarily with employers' organisations. In these circumstances, the legal force of trade boards protected trade unionists and organised employers alike from undercutting by unorganised sections of their trades.¹⁹⁶

Although the Trade Boards Advisory Council could thus be satisfied that trade boards had served generally to the material advantage of many workers, it was anxious to establish primarily whether or not they served trade union interests in a similarly favourable manner. Regarding the probable effect of trade boards on trade union organisation, the Enquiry was forced to reflect the equal strength of opinion on both sides of the argument. True, it again bore in mind

the fact that the Boards have to be judged on a falling market. All Unions have lost substantial numbers and the causes which brought about these losses in non-Trade Board trades have, of course, operated in the Trade Board trades. As regards loss of membership in these latter trades, there can be no exact apportionment of responsibility as between the Trade Boards themselves and the general causes which have operated throughout industry.¹⁹⁷

Nevertheless, the Report followed immediately with the assertion that 'On general principles it would seem right to assume that workers with a rate of wages guaranteed to them by a Trade Board should feel less incentive to join a Trade Union than those whose wages are not so protected.' Thus whilst the TBAC found no conclusive evidence that trade boards adversely affected trade union membership, it still harboured the suspicion that they did.

Irrespective of trade boards' acknowledged usefulness in maintaining a legal 'floor' to wage rates, woe betide them if they should encroach upon trade union functions in sectors otherwise ripe for organisation. Bevin's evidence before the Enquiry Committee was reflective of this feeling. He conceded that his union's decline in membership in trade board trades was mirrored by 'a similar fall in membership in non Trade Board trades, so it proves nothing.' Nevertheless, he gave credence to the notion that trade boards could prejudice union interests by asserting that they should only be extended to new sectors 'where Trade Union organisation appears to be absolutely hopeless.'¹⁹⁸ Other trade union leaders were more strident. Peter Brennan, General Secretary of the Boot and Shoe Makers and Repairers', insisted that 'Trade Boards are detrimental to trade unionism.'¹⁹⁹

However, such shrill hostility to trade boards was countered by trade unionists equally forthright in appreciation of their virtues.²⁰⁰ The Boot and Shoe Operatives' believed that trade union efforts were handicapped more by 'having to deal with nearly 14,000 employers scattered about the country - the majority employing only one or two men.'²⁰¹ In fact, it is likely that the nature of trade board trades, being characterised generally by scattered small scale firms employing a high proportion of female workers at low rates of pay, was the over-riding factor for their low union density. This was acknowledged in the TBAC's Report.²⁰²

To the argument that trade unions were helping non-unionists by working through the trade boards, W. Orchard, an official of the Distributive and Allied Workers', responded with the pertinent point, 'was it not the case that all Trade Union work had this effect?'²⁰³ Furthermore, the TBAC conceded that voluntary collective 'negotiations in the well organised trades may have for the workers concerned something of the same remoteness as is complained of in the case of Trade Boards.'²⁰⁴

As to the likely effects of a withdrawal of trade boards, Julia Varley favoured their abolition as 'we shall not lose anything at all by Trade Boards being curtailed'.²⁰⁵ However, the less strident attitude of Florence Hancock was more typical of even those officials believing that union membership would benefit from a withdrawal of the boards: 'I do not think ... that we could very well advocate the withdrawal of Trade Boards because undoubtedly they have been an advantage to the workers who are covered by them'.²⁰⁶ Brennan's unyielding riposte to these qualms was that unorganised workers must 'fend for themselves, as we are tired of fending for them.'²⁰⁷

Trade unionists who appreciated both the useful work of trade boards and the inherent difficulties of organising in such trades believed that, 'Those people who object to Trade Boards are living in an idealistic world of their own, and fail to understand that the industrial system of the world is a very complex one in its operation. The Juggernaut has under its wheels helpless men and women, girls and children.'²⁰⁸ Similarly, G.F. Mayes was exasperated by those trade unionists

who appear to still be obsessed by the fallacy that if you drive the workers down enough they will revolt and organise for their betterment. Such declaration also appears to fail to take into account that many workers, thousands of them young girls, are beset with threats of victimisation which would deter even the most determined trade unionist. Thousands dare not join a Trade Union and, if because they dare not, is it for organised labour to deny them the protection afforded by Trade Board legislation [?]²⁰⁹

In the final analysis, the TBAC accepted the wisdom of A.E. Little, Poole district organiser for the Workers' Union, who thought that 'a lot of nonsense is argued both by the people who want to extend Trade Boards and those who want to do away with them altogether. They were brought into existence for a certain purpose and have fairly well served that purpose, but I do not think they should serve any other purpose.'²¹⁰ The TBAC concluded that 'existing Trade Boards must, for the time being, continue.'²¹¹ However, it emphasised its belief that the 'main object of the Trade Unions concerned in Trade Boards must always be to make the workers recognise the necessity for

and advantages of Trade Union organisation, and in these circumstances the Trade Board should be regarded only as a temporary expedient.’²¹²

Reflecting this merely lukewarm endorsement of trade boards, the TBAC followed the spirit of the 1909 Act in sanctioning new boards only for sectors characterised by ‘unduly low’ wages. Furthermore, it insisted that there ‘should be no Trade Board in any trade in which the circumstances are such that it is reasonable to expect that machinery for collective bargaining could be established.’²¹³ By contrast, eight years earlier, the TBAC had protested that the similar recommendations of the Cave Committee were a subversion of the principles underlying both the Whitley Report and the resultant 1918 Trade Boards Act. In 1922, the TUC viewed the extension of trade boards, which it then desired, explicitly as a means of ensuring that ‘proper facilities for collective bargaining ... be secured to all workers.’²¹⁴ After a further eight years of low density trade union membership in an economy characterised by modest general wage levels, persistently high levels of unemployment and short-time working, organised labour decided to scapegoat trade boards and regard them as antagonistic to the cause of voluntary collective bargaining.

Unqualified appreciation of the potential benefits of trade boards was thus absent amongst the TUC during Margaret Bondfield’s tenure as Minister of Labour between 1929-1931. As such, the pro-trade board instincts of this former TUC Chairman were hamstrung in office. Given that *Labour and the Nation* had promised to extend trade boards to cover those ‘defenceless’ workers overlooked by Steel-Maitland,²¹⁵ minimum wage enthusiasts in the

Commons were disappointed by Bondfield's apparent *volte-face*. Turning the pro-active ministerial initiative method for establishing new trade boards on its head, Bondfield justified her inaction on the grounds that neither employers' organisations nor trade unions had lobbied for new boards.²¹⁶ However, a letter from one of Bondfield's civil servants to the TUC confirmed that 'apart from the Catering Trades, she will await the result of the deliberations of the [TBAC] ... having regard to the importance of the issues involved in further replacement of trade union action under the Trade Board Acts.'²¹⁷ The catering industry was regarded as something of a 'special case' deserving of trade board protection by organised labour and many Conservatives alike. This was on account of the near-impossibility of organising such a scattered, low-paid female workforce at the mercy of the tipping system.²¹⁸ No other attempt was made by the second Labour government to extend the trade boards system.

TUC ambivalence undermined the campaign launched by the Co-operative Union in 1934 for trade board extension across the retail and distributive trades.²¹⁹ However, organised labour's heel dragging on this question eased from 1936 when the Shop Assistants' Union achieved a measure of success in negotiating collective agreements with multiple grocery firms. In these circumstances, 'the establishment of Trade Boards would be less disadvantageous from a Trade Union point of view than had hitherto been the case.'²²⁰ Once again, the TUC recognised the value that criminally enforceable trade board determinations could render in bolstering collective agreements negotiated in only patchily organised trades. Where a 'critical

mass' of worker mobilisation had been achieved by the trade unions, therefore, trade boards were deemed useful in safeguarding these advances.

This reasoning explains Ernest Bevin's lobbying for the 1938 Road Haulage Wages Act, which also enjoyed the sponsorship of the employers' organisation covering the industry.²²¹ Sir John Simon, Chancellor of the Exchequer, worried that the Act would set a precedent for the extension of government interference wage determination in other industries.²²² Accordingly, Ernest Brown, the Minister of Labour insisted that

It will be only where circumstances demand that the Government will take the responsibility of assisting such workers. The Government have no desire to take the responsibility of fixing and enforcing minimum conditions. ... We are using every effort to assist the extension of orderly and well organised self-government in industry. This Bill will aid responsible trade unions and employers to secure better and more orderly conditions.²²³

Bondfield's policy of leaving the initiative for trade board expansion to interests within the industries themselves was thus perpetuated throughout the 1930s. Enduring psychological resistance on both sides of industry to the notion of statutory minimum wage interference in 'normal' circumstances and sectors untainted by 'sweating' saved the government from having to undertake a major expansion of minimum wage machinery during the decade. However, in a handful of trades where employers' organisations and trade unions agreed on the desirability of trade board machinery in order to bolster collective agreements by outlawing undercutting of such the Ministry of Labour acquiesced to their joint request.²²⁴ Nevertheless, Frederick Bayliss

was correct to observe that by ‘attaching so much importance to agreement between the two sides the Minister excluded from his consideration many trades which satisfied the criteria laid down in legislation.’²²⁵ After all, judged on the low pay and lack of effective collective bargaining apparatus criteria of 1918, trade boards should have encompassed a majority of British industry during the inter-war period!

Despite influential sections of employers, trade unions and the government all, in turn, displaying hostility to trade boards between 1918 and 1939, they were successful in surviving, if not always prospering, the challenges of the inter war years. As organised workers and employers sometimes ferociously scapegoated trade boards for Britain’s economic ills during the 1920s and 1930s, this was no mean achievement. Of course, the ‘lowest common denominator’ nature of the consensus tolerating wages boards necessarily meant that trade boards and similar machinery did not enjoy uncontested endorsement by either representatives of workers and employers or government spokesmen.

The TUC was forever sensitive to the danger that minimum wage machinery could usurp their role, at least to the eyes of potential recruits to trade unionism. Nevertheless, it accepted grudgingly their indispensable role in guaranteeing a ‘floor’ to the wage standards of the most vulnerable workers in society and the wage system generally. Temperamentally, trade unions had difficulty living with the existence of trade boards but could not countenance the consequences of living without them. Specifically, the existence of, and patent necessity for, trade boards served as an embarrassing reminder to trade

unions of their inability to be as effective as they aimed, and claimed, to be. Nevertheless, a significant number of trade unions appreciated the value of their trade boards for the purpose of giving legal force to collective agreements.

Whilst employers instinctively disliked trade board determinations as much as other forms of bureaucratic red tape and interference in their managerial prerogatives, most of them appreciated that trade board minima prevented their British competitors from undercutting wage rates. Ultimately, employers recognised that statutory wages board machinery offered the same protection to the employer paying 'fair' or 'standard' wage rates as they did to the unorganised (female) worker vulnerable to exploitation. Like the trade unions concerned, some employers' organisations valued the service that trade boards could perform in compelling (smaller) unorganised firms to abide by collective agreements which they had voluntarily agreed to be bound by.

The government recognised that, 'Even with the extension of the Trade Boards which followed the Act of 1918, most people still felt that interference with wages could be justified only in very special circumstances.'²²⁶ Wages boards, by virtue of their semi-autonomous representative composition, and their limited application across industry, enabled the government to keep its direct intervention in wage rate determination to a minimum. Robert Horne reflected government thinking, and, indeed, that of the trade boards 'lowest common denominator' consensus throughout the inter-war period, in regarding them as the 'only solution of the complicated question of minimum wages.'²²⁷ Their very 'marginal' status, merely 'filling gaps' where collective

bargaining agreements were not possible, helped secure wage boards an entrenched position within the industrial framework by the late 1930s.

Sure enough, labour movement critics could suggest that though 'legal regulation has effected a radical improvement in the worst-paid sections of Trade Board occupations ... they have not up to the present ... ensured, for ordinary time-workers at any rate, a minimum 'living' wage - that is wage adequate to procure the elementary necessities of civilised life.'²²⁸ However, it is difficult to envisage how trade boards could have achieved such civilised wage standards when even industrial sectors regulated by well enforced voluntary collective agreements failed to ensure workers an adequate 'living' wage. Although basic trade board minima were low, they were higher than prevailing rates for lesser-skilled work in industry generally, especially with regard to women's rates. Indeed, trade boards would have come under attack from employers, trade unions and the government alike for usurping their duties and threatening the integrity of voluntary agreements had they ventured beyond pushing-up wages to the levels paid by 'good' employers.

Thus the true explanation for the failure of the trade boards to fulfil the role anticipated for them by the Whitley Committee and the 1918 Act, namely, substitute collective bargaining bodies in all weakly-organised trades, lies with the lukewarm attitude of trade unions as much as with the orthodox conservative hegemony in parliament and Whitehall. As has been demonstrated, eight years after the Cave Committee Report, the TUC's own enquiry report endorsed its recommendation that, although the existing trade boards should remain, no expansion of their number should be entertained unless all hope of genuine collective bargaining agreements in the trade was

forlorn. Thus the arbitrary cancellation of trade board expansion in 1921, at its half-completed stage, was allowed to remain government policy for the rest of the inter-war period. Many trades that met the same criteria for statutory minimum wage intervention as those incorporated under the Trade Boards Acts prior to 1921 were thus left unprotected outside the system. The trade unions, employers' organisations and the government alike consequently endorsed this inconsistency in wage board policy. However, the result of government industrial policies being influenced by corporate opinion was that 'socially excluded' (predominantly female) workers in sectors such as the retail and distributive sector, for instance, were thus left without statutory protection of their working conditions.

This tripartite acknowledgement of the benefits of trade boards, albeit reluctant on occasion, should be borne in mind as the following chapter charts the failure of 'bolder' minimum wage policy propositions in this field to win the support of the unions, employers and the government alike.

List of references

¹ (TUC) Trade Boards Advisory Council 1929 Memorandum, "Trade Boards: their development and relation to other forms of wage negotiating machinery", reproduced as Appendix A to TBAC, *First Report of the Enquiry Committee*, pp. 22-34 (quote from p. 27), University of Warwick, Modern Records Centre (MRC), MSS. 292/231.1/6.

² The Trade Boards Act, 1918, clause 1(2), *Public General Statutes*, 8 GEO. 5, Ch. 22, p. 102.

³ Half of these protected workers lived in Ireland. Hence following the Dec. 1921 Anglo-Irish Treaty, when responsibility for the 19 exclusively Irish boards passed to the new Dublin and Belfast 'home-rule' governments, the remaining 44 British trade boards encompassed the more modest total of 1½ million workers. For a full list of the trade boards established, see F.J. Bayliss, *British wages councils* (Oxford, 1962), Appendix I, pp. 158-59.

⁴ In spite of the Whitley Committee's recommendation that trade boards should also regulate 'hours of labour and questions cognate to wages and hours' (*Second Report on Joint Standing Industrial Councils*, Cd. 9002 (1918), pp. 4-5), the 1918 Act empowered trade boards to determine 'normal' working hours for the purpose of overtime calculation only.

⁵ The Corn Production Acts (Repeal) Bill was rushed through parliament during July 1921, just seven months after the government had renewed the original 1917 Act! For the second reading debate on the Repeal Bill, see *144 H.C. deb. 5s.* cols. 63-179 (4 Jul. 1921).

⁶ Conventional explanations for this rely upon explanations of the strength of orthodox conservative opinion in parliament and Whitehall. Dorothy Sells asserted, in *British wages boards. A study in industrial democracy* (Washington D.C., 1939), p. 95, that the 'almost continuous Conservative majority in Parliament ... acted as a check upon the extension of

Trade Boards.' Rodney Lowe viewed the trade boards' fall from official favour in 1921 in the context of the triumph of Treasury orthodox economic dogma across Whitehall, see "The erosion of state intervention in Britain 1917-24", *Economic History Review*, 31 (1978), pp. 278-80.

⁷ Described by Chris Wrigley, *Lloyd George and the challenge of labour. The post-war coalition 1918-1922* (1990), pp. 13-17.

⁸ The verdict of one of his officials, cited in Rodney Lowe, *Adjusting to democracy. The role of the Ministry of Labour in British politics, 1916-1939*, (Oxford, 1986) p. 29.

⁹ For a discussion of the National Industrial Conference see below, Chapter Five.

¹⁰ The engineering 'industry' was rather a 'complex of trades united less by a common technology than by shared collective bargaining institutions'. See Richard Hyman, *The Workers' Union* (Oxford, 1971), p. 38.

¹¹ See Horne's parliamentary answer, 8 May 1919, *115 H.C. Deb. 5s.*, cols. 1088-89. Along with such calls for the women's clothing trades, the demand for trade boards for the retail and distributive trades, spearheaded by the Shop Assistants' Union, had been an annual demand of the TUC since 1916. See, for example, *48th Annual Congress Report*, 1916 pp. 398-400.

¹² 'Memorandum on the causes of and remedies for Labour unrest, presented by the Trade Union representatives on the Joint Committee appointed at the National Industrial Conference', *Industrial Conference, Report of Provisional Joint Committee*, Cmd. 501 (1920), Appendix I, p. vi.

¹³ Ministry of Reconstruction, *Report of the Women's Employment Committee*, Cd. 9239 (1919), p. 21.

¹⁴ S.J. Hurwitz, *State intervention in Great Britain. A study of economic control and social response 1914-1919* (1968), p. 144.

¹⁵ See James O'Grady, *136 H.C. Deb. 5s.* col. 751 (16 Dec. 1920). He was referring to the Rope, Twine and Net trade board.

¹⁶ See Robert Horne's reply to a TUC deputation of 6 Feb. 1920, reproduced in TUC, *52nd Annual Congress Report*, 1920, pp. 103-4. Indeed, Humbert Wolfe, head of the Office of Trade Boards within the Ministry of Labour, later inferred that trade board expansion had proceed too quickly in 1920 to facilitate thorough investigation and adequate consultation with the interests concerned. See his memorandum dated 15 Nov. 1924 in Public Record Office (PRO), LAB2/1029/TB357/1924.

¹⁷ James Gillespie, "State regulation and industrial organisation. The London workshop trades, 1911-1960", in N. Whiteside & R. Salais, *Governance, industry and labour markets in Britain and France. The modernising state in the mid-twentieth century* (1998), p. 256.

¹⁸ See TUC, *52nd Annual Congress Report*, 1920, pp. 360-61 & Report of [the inaugural (TUC) TBAC] conference held at Caxton Hall, 10 Jan. 1921, MRC, MSS. 292/230/1. Prior to then, labour movement co-ordination of the work of the boards was maintained simply by J.J. Mallon serving on all of them! He served as Secretary to the (TUC) TBAC for the following four decades.

¹⁹ They felt that their trade was 'sufficiently organised and capable of conducting its business without a Trade Board and that the Minister's reasons for placing the Trade under the Act were not justifiable.' See preliminary draft memorandum by the Association of Jute Spinners and Manufacturers, 'Objections to Trade Board' (c. Sept. 1921), MRC, MSS. 200/B/3/2/C224 pt. 1.

²⁰ See minutes of the Corset Manufacturers Association, 8 Jan. – 28 Jul. 1919, MRC, MSS. 222/CO/1/1/1.

²¹ See letters from J.J. Stark to the NCEO Secretary, J.B. Forbes Watson, dated 1 Aug., 23 Aug. & 4 Sept. 1919 & the memorandum attached to this letter, MRC, MSS. 200/B/3/2/C320.

²² Letter of 9 Feb. 1921 from Godfrey Cheesman to employers' representatives on trade boards, MRC, MSS. 200/TB/3/2/T3 Pt. 1.

²³ As discussed in Chapter One, private manufacturing employers felt strongly that side voting was necessary to compensate for the alleged affinity with the worker's perspective shared by co-operative and sub-contracting employers' representatives. The matter came to a head in 1920, when the Ministry of Labour, seeking a standardisation of trade board procedure, refused permission for the continuation of side voting on the Ready Made & Wholesale Bespoke Tailoring Trade Board. However, faced with an impending employer boycott of board proceedings, the Ministry relented and agreed to re-instate side voting on the board as a 'special case'. For correspondence between Ministry officials and the Tailoring Trade Board,

see MRC, MSS. 258/1/1/8. For a good summary of the strong feelings held by manufacturing employers regarding this issue, see letter from C.J. Healy to the Minister of Labour dated 14 May 1920, MRC, MSS. 200/TB/3/2/T8.

²⁴ See, for example, *135 H.C. Deb.* 5s. cols. 963-64 (29 Nov. 1920) & *144 H.C. Deb.* 5s. cols. 2407-8 (21 Jul. 1921). In reply to the latter question, Robert Horne gave the total cost of the Trade Boards Acts for the 1920-21 financial year as £106,000. The Treasury believed that 'the expenditure involved in the preliminary investigations and the subsequent establishment of a board to the financial burden of the community at large, contributes in itself to restrict employment.' See letter dated 14 Jan. 1921 by G.L. Barstow to the Secretary of the Ministry of Labour, PRO, T162/42/E2811.

²⁵ See copy of letter from J.B. Forbes Watson to the Minister of Labour, dated 2 Mar. 1921, MRC, MSS. 200/B/3/2/C224 Pt. 1.

²⁶ See minutes of the Cabinet meeting of 8 March 1921, PRO, CAB/23/24/C12(21).

²⁷ See copy of letter dated 24 Jun. 1921 from the Secretary of the NCEO to the Secretary of the EEF, MRC, MSS. 200/B/3/2/C224 Pt. 1. The hostile findings of the National Union of Manufacturers Trade Boards Committee provide an excellent summary of employer objections to trade boards in 1921, see attachment to copy of letter dated 9 Feb. 1921 by Godfrey Cheesman, MRC, MSS. 200/TB/3/2/T3. Interestingly, during the debate on the 1918 Trade Boards Bill, the President of the National Union of Manufacturers, George Terrell, had been anxious to stress that his organisation was not opposed to the measure. See *107 H.C. Deb.* 5s. col. 125 (17 Jun. 1918).

²⁸ See copy of letter dated 8 Jun. 1921 from James Brown (EEF Secretary) to J.B. Forbes Watson, MRC, MSS. 200/B/3/2/C224 Pt. 1.

²⁹ Copy of letter from J.G. Newey to Secretary of Federation of British Industries (FBI), dated 1 Jun. 1921, MRC, MSS. 200/B/3/2/C224 Pt. 1.

³⁰ For instance, G.K. Cockerill & R.B. Colvin, both Tory MPs, introduced a Minimum Wage (Temporary Suspension) Bill on 18 Feb. 1921. See *138 H.C. Deb.* 5s. col. 441. Frederick Banbury spoke for a significant contingent of Tory MPs when he urged: 'The sooner we do away with all Wages Boards and go back to the old original plan under which England became a prosperous country, namely that two grown men could make their own bargains better than someone else could make it for them, the better.' See *145 H.C. Deb.* 5s. col. 92 (25 Jul. 1921).

³¹ Both reports are held in MRC, MSS. 200/B/3/2/C224 Pt. 1.

³² For sample details, see 'Cases of delay in confirming rates and of the Minister's interference with rates fixed by boards' [enclosure with letter dated 24 Aug. 1921 from J.J. Mallon to C.W. Bowerman (TUC General Council)], MRC, MSS. 292/230/1.

³³ This argument won patchy support amongst Liberal and Tory MPs. From the latter, Henry Cavendish Bentick and Nancy Astor were notable trade board enthusiasts, even in 1921. See, for example, *139 H.C. Deb.* 5s. col. 1432 (16 Mar. 1921) & *145 H.C. Deb.* 5s. cols. 1719-23 (4 Aug. 1921) respectively. Amongst the sea of 'hard faced businessmen who looked as if they had done well out of the war' on the Conservative benches, the Tory paternalist tradition was not silent!

³⁴ M. Stewart & L. Hunter, *The needle is threaded. The history of an industry* (1964), p. 180.

³⁵ Labour Party, *Report of the 21st Annual Conference, Brighton, 1921*, p. 211. See also the trade board resolution and debate at the 1921 TUC, *53rd Annual Congress Report*, pp. 290-94.

³⁶ See Trade Boards Advisory Council, 2nd Annual Report, in TUC, *54th Annual Congress Report*, 1922, p. 200.

³⁷ See TB(E)CC minutes for Jan. 1923 for evidence of employer-(TUC) TBAC co-operation on this issue, MRC, MSS. 200/TB/3/2/T3 Pt.1.

³⁸ Letter to TB(E)CC dated 26 Feb. 1920 by a Mr. Cardwell, MRC, MSS. 200/TB/3/2/T6.

³⁹ Report of [the inaugural (TUC) TBAC] conference held at Caxton Hall, 10 Jan. 1921, MRC, MSS. 292/230/1.

⁴⁰ Memorandum dated 1 Jun. 1926 by Arthur Stevenson, p. 2, MRC, MSS. 200/TB/3/2/T6.

⁴¹ However, in this instance, the workers were repaid their wage arrears. See minutes of the Lace Finishing Trade Board, 29 May 1923, Report on Inspection (7 May – 31 Dec. 1922), MRC, MSS. 292C/239.24/1.

⁴² See, for example, Sheila Blackburn, "Working class attitudes to social reform: Black Country chainmakers and anti-sweating legislation, 1880-1930", *International Review of Social History*, 33 (1988), p. 67.

- ⁴³ To 58. See the admission by Henry Betterton, Minister of Labour, 30 Mar. 1933, 276 *H.C. Deb.* 5s. col. 1195.
- ⁴⁴ For instance, the paper of J.S. Nicholson, a Ministry of Labour official, to the 1927 ILO Minimum Wage Conference, mentioned that in 1925 arrears were claimed on behalf of 6,600 workers out of 111,000: an underpayment rate of approximately six per cent. In this sample, three per cent. of workers (numbering 3,200) were receiving less than 90% of the legal minimum rates. See *Towards industrial peace. Being the Report of the proceedings of a conference organised by the League of Nations Union ... on systems of fixing minimum wages...* (1927), pp. 35-36.
- ⁴⁵ This policy naturally aroused the ire of trade unionists, see speech of Bernard Sullivan, a Tailors & Garment Workers Union official in TUC, 62nd *Annual Congress Report*, 1930 p. 331.
- ⁴⁶ See "State regulation and industrial organisation", p. 253.
- ⁴⁷ See the testimony of Anne Loughlin, a future leader of the Tailors & Garment Workers' Union, before a deputation to the Parliamentary Secretary to the Ministry of Labour on 3 May 1934, "Enforcement of Trade Board Determinations", MRC, MSS. 292/230/2. For a concise summary of the enforcement of piece work basis time rates during the early 1930s, see TBAC 16th Annual Report, 68th *Annual Congress Report*, 1936, pp. 163-64.
- ⁴⁸ Dorothy Sells, *British wages boards*, p. 235. Certainly, it is significant that 'In the depression years 1930-34 ... half of the Boards did not meet to vary rates either up or down, in spite of a continuous decline in prices.' (*ibid.*, p. 134.)
- ⁴⁹ Letter dated 28 Oct. 1920 to J. Miller Thomson, MRC, MSS. 200/TB/3/2/TB62. This was a good illustration of establishment and business class fears during the post-Russian Revolution and pre-first Labour government period.
- ⁵⁰ See Dorothy Sells, *British wages boards*, pp. 244-51 & Rodney Lowe "The erosion of state intervention in Britain", pp. 276-78.
- ⁵¹ Rodney Lowe, *Adjusting to democracy*, p. 102.
- ⁵² See 144 *H.C. Deb.* 5s. cols. 37-38 & 59 (4 Jul. 1921). The proposals included lower rates for localities of less than 5,000 inhabitants.
- ⁵³ See, for example, the statements of Henry Harris, Edward Nicholl and William Bull, 142 *H.C. Deb.* 5s. cols. 1845-46 (8 Jun. 1921).
- ⁵⁴ Namely: E.L. Poulton, of the Boot and Shoe Operatives' & Chairman of the TUC 1921-22; Arthur Pugh, Iron and Steel Trades Federation; and John Bell, a Labour MP and secretary of a textile union. For a full list of the Committee's composition, see D. Sells, *British wages boards*, p. 252.
- ⁵⁵ TB(E)CC Report based on replies to questionnaire (c. Dec. 1921), MRC, MSS. 200/B/3/2/C224 Pt. 1.
- ⁵⁶ (TUC) TBAC Executive Committee minutes, MRC, MSS. 292/230/1.
- ⁵⁷ *Report to the Minister of Labour of the Committee Appointed to Enquire into the working and effects of the Trade Boards Acts*, Cmd. 1645 (1922), summary of employer criticisms, p. 13. During this period mainstream opinion considered self-employed out-workers as an undesirable throwback to pre-industrial practices.
- ⁵⁸ See copy of his letter dated 31 May 1921 to secretary of the FBI, MRC, MSS. 200/B/3/C224 Pt. 1.
- ⁵⁹ See letter by J.G. Newey, dated 1 Jun. 1921 to secretary of FBI, in *ibid.*
- ⁶⁰ Cmd. 1645 (Cave Committee Report), p. 22.
- ⁶¹ See *Studies in the minimum wage No. II. The establishment of minimum rates in the tailoring industry under the Trade Boards Act of 1909* (1915), p. 254 & Ch. 5.
- ⁶² See Cmd. 1645 (Cave Committee Report), pp. 20-21.
- ⁶³ 'Memorandum of the Trade Boards Advisory Council, Trades Union Congress, on the Report of the Committee appointed to inquire into the working and effects of the Trade Boards Acts', TUC, 54th *Annual Congress Report*, 1922, p. 203. This Memorandum was later published as a joint Labour Party/TUC pamphlet, *Trade Boards and the Cave Report*.
- ⁶⁴ See copy of his letter to *The Times*, 26 Sept. 1921, reproduced in *ibid.*, p. 203.
- ⁶⁵ NCEO, 'Trade Boards. Memorandum on their working and effect and on the amendments necessary in the Trade Boards Acts, p. 2, MRC, MSS. 200/B/3/2/C224 Pt. 1.
- ⁶⁶ Letter dated 22 Feb. 1921 by F.S. Cathro, secretary of the Association of Jute Spinners and Manufacturers, to TB(E)CC, MRC, MSS. 200/TB/3/2/T102.
- ⁶⁷ League of Nations Union, *Towards industrial peace*, p. 96.

- ⁶⁸ See J.J. Mallon's enclosure with letter dated 24 Aug. 1921 to C.W. Bowerman, 'Cases of delay in confirming rates and of the minister's interference with rates fixed by Boards', Laundry trade board, MRC, MSS. 292/230/1.
- ⁶⁹ TB(E)CC Report based on replies to questionnaire (c. Dec. 1921), MRC, MSS. 200/3/2/C224 Pt. 1.
- ⁷⁰ See London District EEF Association 'Report into Stamped or Pressed Metal Wares Trade Board', held in *ibid.*
- ⁷¹ See letter dated 15 Nov. 1921 in *ibid.*
- ⁷² Cmd. 1645 (Cave Committee Report), p. 21.
- ⁷³ To an hourly rate of 1½d. See Macnamara to Commons, 147 *H.C. Deb. 5s.* col. 629 (25 Oct. 1921).
- ⁷⁴ Cmd. 1645 (Cave Committee Report), p. 23.
- ⁷⁵ As freely admitted by Jute industry employers, see Association of Jute Spinners and Manufacturers 'Objections to Trade Board', p. 2, MRC, MSS. 200/B/3/2/C224 Pt. 1. Employers generally resented the principle of paying automatic increases in rates on the basis of length of service to *unskilled* workers. See the two London District EEF Association reports (re. Stamped or Pressed Metal Wares & Perambulator trades) in *ibid.*
- ⁷⁶ See TBAC 'Report on Employment of Juveniles', TUC, 58th *Annual Congress Report*, 1926, p. 193 & 182 *H.C. Deb. 5s.* cols. 2220-21 (8 Apr. 1925).
- ⁷⁷ (TUC) TBAC, *Second Report of the Enquiry Committee* (Mar. 1931), p. 5, MRC, MSS. 292/231.1/7.
- ⁷⁸ Copy of the 4 May 1921 plea by the Scottish Federation of Merchant Tailors for the abolition of the Retail Bespoke Tailoring Trade Board, see minutes of the Ready-Made & Wholesale Bespoke Tailoring Trade Board, 1 Sept. 1921, MRC, MSS. 258/1/1/8.
- ⁷⁹ See copy of written submission to Cave Committee by George Williams, secretary of the Chain & Anchor Manufacturers Association, dated 4 Feb. 1922, MRC, MSS. 200/B/3/2/C224 Pt. 1.
- ⁸⁰ See *Public General Statutes 8 GEO. 5*, Ch. 32 (Trade Boards Act, 1918), clause 3 (5).
- ⁸¹ 145 *H.C. Deb. 5s.* cols. 1679-80 (4 Aug. 1921).
- ⁸² TBAC, *Second Report of the Enquiry Committee* (Mar. 1931), p. 6, MRC, MSS. 292/231.1/7. On p. 5 the Report also advocated a reduction in the period of objection to one month.
- ⁸³ TB(E)CC Report based on replies to questionnaire (c. Dec. 1921).
- ⁸⁴ For a representative TUC debate on this issue, see 60th *Annual Congress Report*, 1928, pp. 486-88.
- ⁸⁵ See TUC, 55th *Annual Congress Report*, 1923, p. 386.
- ⁸⁶ See, for example, Minutes of the Paper Box Trade Board meetings of 11 Apr. & 20 Jul. 1922, MRC, MSS. 292C/239.23/1.
- ⁸⁷ Alan Fox described briefly such a trend on the Boot & Shoe Repairing Trade Board, in *A History of the National Union of Boot and Shoe Operatives 1874-1957* (Oxford, 1958), p. 486.
- ⁸⁸ Copy of letter dated 9 Feb. 1923 from the Secretary of the Wrought Hollow-ware Trade Employers Association to TB(E)CC, MRC, MSS. 200/TB/3/2/T3 Pt. 1. In TUC, 55th *Annual Congress Report*, 1923, p. 181 a similar protest by employers affected by the General Waste Materials Reclamation Trade Board is mentioned.
- ⁸⁹ He was speaking at the enquiry won by employers into the scope of the Stamped or Pressed Metal Wares Trade Board, *Daily Herald* cutting from 7 Jun. 1923, MRC, MSS. 200/B/3/2/C224 Pt. 2.
- ⁹⁰ Of course, this circumstance often occurred by default: merely accounted for by trade board rates descending at a more cautious pace than the rest of industry.
- ⁹¹ However, in practical terms, some unions considered trade board rates 'a help in maintaining rates for similar classes of workers', (TUC) TBAC, *First Report of the Enquiry Committee* (Oct. 1930), p. 14, MRC, MSS. 292/231.1/6.
- ⁹² League of Nations Union, *Towards industrial peace*, pp. 39-40.
- ⁹³ Response of the EEF West of England Association to TB(E)CC questionnaire, dated 15 Nov. 1921, MRC, MSS. 200/B/3/2/C224 Pt. 1. However, on p. 21 of the Cave Committee Report (Cmd. 1645) the point was countered by union and co-operative movement witnesses who 'stated that similar diversity of rates in a single establishment obtained under voluntary systems of wages regulation', especially in the distributive trades, where no trade board rates held!

⁹⁴ Cmd. 1645, pp. 36-37.

⁹⁵ See, for example, the disputes between retail bespoke and wholesale bespoke tailoring employers on the Trade Board (before the retail employers were granted their own board in 1920), MRC, MSS. 258/1/1/7. Also, retail and distributive firms were far keener on separate boards for their sector than were the Shop Assistants Union, see TUC, *51st Annual Congress Report*, 1919, pp. 360-61.

⁹⁶ Copy of letter dated 9 Feb. 1923 from Secretary of the Wrought Hollow-ware Trade Employers Association to TB(E)CC, MRC, MSS. 200/TB/3/2/T3 Pt. 1.

⁹⁷ See his 'Memorandum on the Trade Board Question', enclosure with letter dated 4 Sept. 1919 to Secretary of the NCEO, MRC, MSS. 200/B/3/2/C320.

⁹⁸ 'Memorandum on the Trade Board Question' enclosure with letter dated 4 Sept. 1919 to secretary of NCEO, MRC, MSS. 200/B/3/2/C320.

⁹⁹ J. Hallsworth, *The legal minimum wage* (1925), pp. 52-54.

¹⁰⁰ In "A very moderate socialist indeed? R.H. Tawney and minimum wages", *Twentieth Century British History*, 10 (1999), p. 121.

¹⁰¹ Copy of letter dated 4 May 1921 from the Scottish Federation of Merchant Tailors to the Ministry of labour requesting the abolition of the Retail Bespoke Tailoring Trade Board. Copy held in minutes of the Ready-Made & Wholesale Bespoke Tailoring Trade Board meeting, 1 Sept. 1921, MRC, MSS. 258/1/1/8.

¹⁰² NCEO, 'Trade Boards. Memorandum on their working and effect and on the amendments necessary in the Trade Boards Acts' (c. Sept. 1921), p. 3, MRC, MSS. 200/B/3/2/C224 Pt.1.

¹⁰³ Percentages derived from figures given in D. Sells, *British wages boards*, p. 112. The proportion of trade union *officials* was lower: in 1922 Humbert Wolfe gave the proportion of such as 36 % of the total number of workers' representatives. See his letter to the (TUC) TBAC, 13 Oct. 1922, MRC, MSS. 292/230/1.

¹⁰⁴ The view of T.F. Richards, *Boot & Shoe Operatives*, Report of the [inaugural (TUC) TBAC] conference at Caxton Hall, 10 Jan. 1921, MRC, MSS. 292/230/1.

¹⁰⁵ Letter from Humbert Wolfe to TBAC, 13 Oct. 1922, MRC, MSS. 292/230/1.

¹⁰⁶ Cmd. 1645, p. 40.

¹⁰⁷ See TBAC, Minutes of the 14th Annual Meeting, 3 Jul. 1935, MRC, MSS. 292/238/1.

¹⁰⁸ See J.H. Richardson, *A study on the minimum wage* (1927), pp. 98-99.

¹⁰⁹ See *Trade Boards and the Cave Report*, TUC, *54th Annual Congress Report*, 1922, p. 204 & the opinion of J.S. Nicholson, a Ministry of Labour official, in League of Nations Union, *Towards industrial peace*, p. 30.

¹¹⁰ TB(E)CC Report based on replies to questionnaire (c. Dec. 1921), MRC, MSS. 200/B/3/2/C224 Pt. 1.

¹¹¹ London & District EEF Association Report on Stamped or Pressed Metal Wares Trade Board, in *ibid*.

¹¹² NCEO, 'Trade Boards. Memorandum on their working and effect and on the amendments necessary in the Trade Boards Acts' (c. Sept. 1921), MRC, MSS. 200/B/3/2/C224 Pt. 1.

¹¹³ See James Gillespie, "State regulation and industrial organisation", pp. 256-59.

¹¹⁴ The Cave Committee named the following (non-comprehensive) list of trade boards: Wholesale Mantle & Costume; Dressmaking (Eng. & Wales); Ready-Made Tailoring; Brush and Broom; Stamped or Pressed Metal wares; Perambulator and Invalid Carriage; Coffin furniture. See Cmd. 1645, p. 11.

¹¹⁵ Covering the Wholesale Clothing Manufacturers Federation, the United Garment Workers Union and the Amalgamated Society of Tailors and Tailoresses. The Committee on Production was superseded by the Interim Court of Arbitration in November 1918.

¹¹⁶ See minutes from 1919 for the following bodies whose records are held in the MRC: Wholesale Clothing Manufacturers Federation, MSS. 222/CM/1/1/3; Shirt & Collar Manufacturers Federation, MSS. 222/SC/1/1/2; Tailoring Trade Board, MSS. 258/1/1/7; Shirt-making Trade Board, MSS. 258/1/3/1.

¹¹⁷ See minutes of Tin Box Trade Board meetings, MRC, MSS. 292C/239.43/1.

¹¹⁸ However, not until the 1938 Holidays with Pay Act did trade boards (together with agricultural wage committees and the Road Haulage Wages Board), secure permissive powers to fix up to one week's holiday with pay annually.

¹¹⁹ See letter dated 23 Apr. 1921 (signed by Humbert Wolfe) to Tailoring Trade Board, MRC, MSS. 258/1/1/8. The following two quotations are from the same source.

- ¹²⁰ See letter dated 10 May 1921 (signed by Wolfe) to Tailoring Trade Board, MRC. MSS, 258/1/1/8.
- ¹²¹ League of Nations Union, *Towards industrial peace*, p. 51.
- ¹²² Notes taken at conference between representatives of the Shirt, Collar & Tie Manufacturers Federation and representatives of the Tailors & Garment Workers Trade Union held on 16 Jul. 1924, pp. 3, 16, MRC, MSS. 222/SC/1/1/4.
- ¹²³ James Gillespie, "State regulation and industrial organisation", p. 259.
- ¹²⁴ See S.P. Dobbs, *The clothing workers of Great Britain* (1928), p. 135.
- ¹²⁵ A few weeks before her life was claimed by cancer, aged only forty, on 1 Jan. 1921, Macarthur merged the NFWW with Will Thorne's and J.R. Clynes' National Union of General Workers (NUGW).
- ¹²⁶ Dorothy Sells, *British wages boards*, p. 112.
- ¹²⁷ For attempts to reverse this state of affairs, see Lace Finishing Trade Board minutes, MRC, MSS. 292C/239.24/1&2.
- ¹²⁸ *British wages boards*, p. 179.
- ¹²⁹ See minutes of the Paper Box Trade Board meeting, 12 Jul. 1921, MRC, MSS. 292C/239.32/1.
- ¹³⁰ See "Notes taken at Conference between representatives of the Shirt, Collar & Tie Manufacturers Federation and representatives of the Tailors & Garment Workers Trade Union held on 16 July 1924, pp. 7-8, MRC, MSS. 222/SC/1/1/4.
- ¹³¹ Cmd. 1645, p. 11.
- ¹³² Cd. 9239, p. 21.
- ¹³³ Copy of letter by Elizabeth Abbott published in *The Observer*, 12 Apr. 1936, MRC, MSS. 292/230.1/1.
- ¹³⁴ See T&GWU response to Trade Boards Advisory Council, 1937 Triennial review for the Tobacco trade, MRC, MSS. 292/230.6/5. See also Ministry of Labour, 22nd *Abstract of Labour Statistics* (HMSO, 1937), p. 77.
- ¹³⁵ See *More than munitions. Women, work and the engineering industries 1900-1950*, p. 110.
- ¹³⁶ Cmd. 1645 (Cave Committee Report), p. 23. On p. 22 the Report credited: 'Notable tributes have been paid by employers to the achievements of Trade Boards in the Ready-Made Tailoring, Paper Box, Paper Bag, Tin Box, Shirt-making, Sugar Confectionery, Wholesale Mantle and Costume, Lace Finishing, Corset, Boot and Shoe Repairing and Milk distributive trades and by workers' organisations to the working of the system as a whole.'
- ¹³⁷ *Ibid.*, p. 22.
- ¹³⁸ *Ibid.*, p. 24, especially as the Committee professed itself (on p. 23) 'satisfied that the operation of the system has contributed on the whole to the improvement of industrial relations'.
- ¹³⁹ The 1918 Act stipulated that *either*, not both, of these criteria were sufficient justification for a trade board.
- ¹⁴⁰ 157 *H.C. Deb 5s.* cols. 1976-77, during a debate on the Cave Committee recommendations initiated by Davies on 4 Aug. 1922.
- ¹⁴¹ Cmd. 1645, p. 26.
- ¹⁴² The TUC feared that employers would follow the example of farmers and resist the fixing of higher rates if they were not legally compelled to do so. See Memorandum of the Trade Boards Advisory Council, on the Report of the Committee appointed to inquire into the working and effects of the trade Boards Acts, 54th *Annual Congress Report*, 1922, pp. 208-09.
- ¹⁴³ Sheila Blackburn, "The problem of riches: from trade boards to a national minimum wage", *Industrial Relations Journal*, 19 (1988), p. 129.
- ¹⁴⁴ Cmd. 1645, pp. 32-33.
- ¹⁴⁵ See Humbert Wolfe's *Trade Boards Acts. Principles of Administration* (draft memorandum, 15 Nov. 1924) in PRO, LAB2/1029/TB367/1924, pp. 81-82. The Ministry of Labour had circulated the trade boards regarding their attitude towards district rate fixing.
- ¹⁴⁶ Its Second Report, Cd. 9002 (1918), stated on p. 4: 'we consider that the Trade Boards should be regarded also as a means of supplying a regular machinery for negotiation and decision on certain groups of questions dealt with in other cases by collective bargaining'. Rather disingenuously, the Cave Report claimed its proposals were 'entirely consistent with the spirit of the Whitley Report, which is one of ultimate reliance for peace and contentment in industry on the voluntary co-operation of employers and employed without active intervention from outside.' See Cmd. 1645, p. 30.

¹⁴⁷ See A.G.B. Fisher, *Some problems of wages and their regulation in Great Britain since 1918* (1926), pp. 182-84 & S.P. Dobbs, *The clothing workers of Great Britain*, pp. 97-99. In fairness, by the mid 1920s, these authors could be confident that the chance of any enactment of the harsher Cave committee recommendations was remote.

¹⁴⁸ See Sheila Blackburn, "A very moderate socialist indeed?", p. 110.

¹⁴⁹ D. Sells, *British wages boards*, pp. 94-95.

¹⁵⁰ See a list of trades earmarked by the Ministry of Labour for trade board coverage, *121 H.C. Deb. 5s. cols. 1779-80* (26 Nov. 1919).

¹⁵¹ TUC, *54th Annual Congress Report*, 1922, p. 441.

¹⁵² See Memorandum of the TBAC on the report of the Committee appointed to inquire into the working and effects of the Trade Boards Acts, *ibid.*, pp. 205-6.

¹⁵³ Gurney Rowlerston, AST & T, TUC, *54th Annual Congress Report*, 1922, p. 298.

¹⁵⁴ *Ibid.*, p. 440.

¹⁵⁵ See letter from E.L. Poulton to J.J. Mallon, 2 Dec. 1929, MRC, MSS. 292/231.1/3. This was consistent with the Union's policy earlier in the decade favouring the legal enforcement of Joint Industrial Council agreements, one of which covered the Boot and Shoe trade. See Alan Fox, *A History of the National Union of Boot & Shoe Operatives*, pp. 449-50.

¹⁵⁶ See Ministry of Labour, 'Administration of the Trade Board Acts, 1909 and 1918.

Statement of the Government's policy in the administration of the Acts pending legislation dealing with the recommendations of ...[the Cave Committee], Cmd. 1712 (1922).

¹⁵⁷ See *The Times*, 30 Nov. 1922 & *159 H.C. Deb. 5s. col. 314*, for question by Herbert Nield, Tory MP for Ealing, 27 Nov. 1922.

¹⁵⁸ Humbert Wolfe, *Trade Boards Acts. Principles of Administration*, PRO, LAB2/1029/TB367/1924, pp. 79-80. In particular, employers resented 'provisions in the Bill which if allowed to remain would give the Minister very extended powers in connection with the Trade Boards.' See minutes of meeting of the London Wholesale Clothiers Association on 25 Jun. 1923, MRC, MSS. 222/LWC/1/1/2.

¹⁵⁹ See report of an NCEO deputation to the Minister of Labour, *Morning Post* cutting from 31 Jul. 1923, MRC, MSS. 200/B/3/2/C224 Pt.2. The TB(E)EE continued to lobby for legislation for the rest of the decade.

¹⁶⁰ The Bill may have been a victim of government flux during the spring of 1923; Bonar Law was fatally ill and was not succeeded by Stanley Baldwin until 21 May.

¹⁶¹ See *171 H.C. Deb. 5s. col. 489* (19 Mar. 1924). In recognition of the novel political situation, some employers were keen to change tack and seek to establish whether common ground existed with the trade unions in their campaign to implement the Cave Report. See resolution of the London Employers' Association, 7 Feb. 1924, passed on to the TB(E)CC, MRC, MSS. 200/TB/3/2/T3 Pt. 1.

¹⁶² The Agricultural Wages (Regulation) Act created 47 county-based 'district wage committees' in England and Wales. Enjoying higher coverage amongst rural workers than their English counterparts and able to maintain collective agreements with the National Farmers Union, the Scottish Farm Servants Union rebuffed such protection. However, following the collapse of this voluntary machinery during the Great Depression it swallowed its pride and requested the extension of the 1924 Act to Scotland. The government granted their wish in 1937.

¹⁶³ See *The Times* report of Sydney Skinner's presidential address to its annual meeting, 19 Mar. 1924 and Bondfield's complaint regarding the employers' behaviour on 19 May 1924, *173 H.C. Deb 5s. col. 1834*.

¹⁶⁴ *The Times*, 29 April 1924. Both this and the above *Times* reference are cuttings held in NCEO files, MRC, MSS. 200/B/3/2/C224 Pt.2.

¹⁶⁵ See his statement to MPs, 11 Feb. 1926, *191 H.C. Deb. 5s. col. 1284*. However, Steel-Maitland did extend trade boards to two tiny trades, the drift nets mending and the keg and drum, in 1925 and 1929 respectively. Between them, they employed less than 5,000 workers.

¹⁶⁶ For a useful summary of the reports, see 6th Annual report of the TBAC, TUC, *58th Annual Congress Report*, 1926, pp. 190-91.

¹⁶⁷ As is tacitly admitted in the TBAC 7th Annual Report, TUC, *59th Annual Congress Report*, p. 182.

¹⁶⁸ See TUC, *56th Annual Congress Report*, 1924, pp. 307, 338 & 350.

¹⁶⁹ See his statement to MPs, 16 Dec. 1924, *179 H.C. Deb. 5s. cols. 819-20*.

- ¹⁷⁰ See an account of a TB(E)CC deputation to Steel-Maitland on 4 Mar. 1927 in MRC, MSS. 200/TB/3/2/T3 Pt. 1.
- ¹⁷¹ See copy of letter dated 10 May 1927 from J.S. Nicholson to TB(E)CC, in respect of Retail Bespoke Tailoring trade board log rates, in *ibid.*
- ¹⁷² See minutes of a TB(E)CC meeting of 14 Dec. 1925, *ibid.*, & TBAC 8th Annual Report, TUC, 60th Annual Congress Report, 1928, p. 191. Article 1 of the final ILO Convention, agreed on 16 June 1928, followed the British government's advice and endorsed minimum wage fixing machinery for those sectors where 'no arrangements exist for the effective regulation of wages by collective agreements or otherwise and wages are exceptionally low.' See copy of the ILO Convention (No. 26) in TUC files, MRC, MSS. 292/116/2.
- ¹⁷³ Letter from J. Forbes Watson to F. Cathro, Secretary of the Association of Jute Spinners & Manufacturers, 7 Jan. 1927, MRC, MSS. 200/TB/3/2/T102.
- ¹⁷⁴ Letter from Frank Impey, Secretary of the Pin, Hook & Eye and Snap Fastener Association, to Sydney Pascall of the TB(E)CC, 25 May 1928, MRC, MSS. 200/TB/3/2/T95.
- ¹⁷⁵ See letter from F. Cathro to J. Forbes Watson dated 16 Nov. 1927, MRC, MSS. 200/TB/3/2/T102. The Jute employers felt that on account of their exposure to foreign competition they, along with Flax employers, were 'ploughing so to speak a lonely furrow' within the TB(E)CC.
- ¹⁷⁶ See *Glasgow Herald* cutting from 6 Dec. 1932, *ibid.*
- ¹⁷⁷ In *British wages boards*, p. 264.
- ¹⁷⁸ Strictly speaking, Australia had the most comprehensive minimum wage protection at this time: several of its states fixed rates by Industrial Court arbitration. However, only the states of Victoria and Tasmania (both of which had tiny populations by comparison with the 'Mother Country') had wages board machinery comparable in extent with Britain.
- ¹⁷⁹ The view of Bernard Sullivan, a Tailors & Garment Workers Union official, League of Nations Union, *Towards industrial peace*, p. 91.
- ¹⁸⁰ League of Nations Union, *Towards industrial peace*, p. 43. Wilkinson was at this time Labour MP for Middlesbrough East and an organiser for the Co-operative Workers Union.
- ¹⁸¹ In Workers' Union response to Trade Boards Enquiry, dated 16 Dec. 1929, (TUC) TBAC Sub Committee of Enquiry, Correspondence 1929-30, MRC, MSS. 292/231.1/3.
- ¹⁸² A *Daily Herald* cutting from 3 Jan. 1923, deemed worthy of preservation by the NCEO! MRC, MSS. 200/B/3/2/C224 Pt.2.
- ¹⁸³ *Daily Herald* cutting from 19 Aug. 1924, held in *ibid.*
- ¹⁸⁴ League of Nations Union, *Towards industrial peace*, pp. 116-17. Likewise encapsulating the crusading spirit of trade unionism was Ellen Wilkinson's assertion (*ibid.*, p. 46) that 'it is not right that necessarily these things should come without any effort. What we get without effort we do not value.'
- ¹⁸⁵ *Ibid.*, p. 44. She instanced the ill-fated Grocery Trade Board.
- ¹⁸⁶ TUC, 53rd Annual Congress Report, 1921, pp. 292-93.
- ¹⁸⁷ See 204 *H.C. Deb. 5s.* col. 1833 (4 Apr. 1927).
- ¹⁸⁸ Minutes of the TBAC 9th Annual Meeting, 25 Jul. 1929, MRC, MSS. 292/238/1. Arthur Hayday, MP and TUC General Council member, served as Chairman of the Enquiry Committee, and J.J. Mallon served as its Secretary.
- ¹⁸⁹ For a full list of the principle issues identified by the Enquiry Committee, see (TUC) TBAC 'First Report of the Enquiry Committee' (17 Oct. 1930) (copy held in MRC, MSS. 292/231.1/6.), pp. 2-3.
- ¹⁹⁰ *Ibid.*, p. 5.
- ¹⁹¹ *Ibid.*, p. 6. Evidence from the 'big four' unions represented most extensively on trade boards (namely: Ernest Bevin's Transport & General Workers'; Will Thorne's General & Municipal Workers'; Andrew Conley's Tailors & Garment Workers'; and Joseph Hallsworth's Distributive & Allied Workers') concurred with this point. See their submissions to the Enquiry Committee, MRC, MSS. 292/231.1/3 and Conley's article in a cutting from *The Garment Worker* [undated, but probably Feb. 1930], in MRC, MSS. 292/231.1/1.
- ¹⁹² (TUC) TBAC, 'First Report of the Enquiry Committee', p.6.
- ¹⁹³ *Ibid.*, p. 10. The Report instanced dressmakers, 'who formerly received much less than the average shop assistants, were now receiving better rates than any unorganised women assistants in the Drapery trade.'

¹⁹⁴ See *ibid.*, p. 11 for a list of trade board trades concerned. These voluntary agreements were typically only of a partial nature, embracing specific districts and/or grades of labour within the wider scope of the trade board. A survey of the Brush and Broom trade considered by the TBAC Annual Meeting in 1935 (MRC, MSS. 292/238/1.) found that the following proportions of time workers were receiving more than their appropriate minimum rate: adult male 'Special Classes' (i.e. those engaged on skilled processes), 75%; other men, 53½%; skilled adult females, only 19%; other adult females, 78%. However, 'Any payment, however small, above the appropriate rate' was included in these percentages. Payment of rates above the legally prescribed minima would have likely been less common in the winter of 1929-30, when the Enquiry Committee collected its evidence, than in the more optimistic economic climate of 1935.

¹⁹⁵ (TUC) TBAC, 'First Report of the Enquiry Committee', p. 20.

¹⁹⁶ As G.F. Mayes, Secretary of the National Society of Brushmakers, appreciated. See his letter of 29 Jan. 1930 to J.J. Mallon, MRC, MSS. 292/231.1/3.

¹⁹⁷ (TUC) TBAC, 'First Report of the Enquiry Committee', p. 9.

¹⁹⁸ See his submission to the Enquiry Committee dated 10 Mar. 1930, MRC, MSS. 292/231.1/3.

¹⁹⁹ See his letter dated 29 Jan. 1930, in *ibid.*

²⁰⁰ See E.L. Poulton's evidence submitted to the Enquiry Committee on behalf of the rival Boot & Shoe Operatives', dated 2 Dec. 1929, *ibid.*

²⁰¹ See (TUC) TBAC minutes regarding Triennial Reviews of Trade Boards 1933-1939, MRC, MSS. 292/230.6/5. In 1934 Brennan's union sought unsuccessfully to substitute a Joint Industrial Council for the Shoe Repairing Trade Board. The Boot & Shoe Operatives retorted that the trade board minima, at 57/- and 41/- per full week for men and women respectively, were higher than collective agreement rates in the non-trade board manufacturing side of the industry to the tune of 3 shillings weekly for men and 8 shillings weekly for women. This demonstrated of the value of trade boards for women workers in particular.

²⁰² 'First Report of the Enquiry Committee', p. 7a.

²⁰³ Report of Special Conference held on 3 May 1934 regarding the Boot & Shoe Repairing Trade Board Triennial Review, MRC, MSS. 292/230.6/5.

²⁰⁴ 'First Report of the Enquiry Committee', p. 10.

²⁰⁵ See her letter to Charles Duncan, 16 Dec. 1929, enclosed within the Workers' Union submission to the Enquiry Committee, MRC, MSS. 292/231.1/3.

²⁰⁶ See her letter to C. Duncan dated 14 Jan. 1930, in *ibid.* Hancock was Bristol area organiser for the Workers' Union.

²⁰⁷ See his submission on behalf of the Boot & Shoe Repairers', dated 29 Jan. 1930, in *ibid.*

²⁰⁸ T. A. Flynn, AST & T, TUC, 53rd Annual Congress Report, 1921, p. 284.

²⁰⁹ See his submission to the Enquiry Committee dated 29 Jan 1930 on behalf of the National Society of Brushmakers, MRC, MSS. 292/231.1/3.

²¹⁰ See his letter of 8 Jan. 1930 to C. Duncan, held in *ibid.*

²¹¹ 'First Report of the Enquiry Committee', p. 18. Given this decision, a Second Report of the Enquiry Committee was completed in Mar. 1931 (copy held in MRC, MSS. 292/231.1/7.) recommending a series of administrative improvements to the trade boards machinery.

²¹² Thus a system of triennial review was instituted by the TBAC 'to consider whether the circumstances of the trade warranted the continuance of the Board, or whether the workers' interests might be better served by the operation of normal Trade Union methods, either through a Joint Industrial Council or some other form of negotiating machinery, with or without legal enforcement of wages.'

²¹³ 'First Report of the Enquiry Committee', p. 19.

²¹⁴ See TUC, [Trade Boards and the Cave Report], 54th Annual Congress Report, 1922, p. 205.

²¹⁵ *Labour and the Nation* (revised edn., 1928), pp. 8,17. In addition, the Liberal Party, whose votes were needed by MacDonald to secure the Labour government's majority in the Commons, was pledged to extend trade boards to 'all trades or industries which are not satisfactorily organised to be able to make and keep satisfactory agreements about wage rates and other conditions.' See *Britain's industrial future – being a Report of the Liberal Industrial Inquiry* (1928), p. 210.

²¹⁶ See 236 *H.C. Deb.* 5s. col. 2072 (20 Mar. 1930). The Trade Boards Acts gave specific sanction to the Minister to decide which trades met the criteria for trade board application.

This abdication of ministerial responsibility roused Geoffrey Mander, Liberal MP for Wolverhampton East, into securing a brief Commons debate to protest at Bondfield's betrayal of Labour's election promises in this regard. See 240 *H.C. Deb. 5s.* cols. 543-48 (18 Jun. 1930).

²¹⁷ Letter from F.W. Leggett to A. Firth, Walter Citrine's deputy, dated 3 Jul. 1930, MRC, MSS. 292/230.1/1.

²¹⁸ See the advocacy of the otherwise 'trade board sceptic', Ellen Wilkinson, in League of Nations Union, *Towards Industrial Peace*, p. 45. The same TBAC meeting that launched the Enquiry Committee nevertheless agreed to lobby the Minister of Labour for such a trade board. See minutes of the 9th Annual Meeting, 25 Jul. 1929, MRC, MSS. 292/238/1. Nancy Astor did likewise, see 226 *H.C. Deb. 5s.*, col. 1119 (13 Mar. 1929). For a summary of this unsuccessful attempt to apply trade boards to another ¾ million workers, which was dogged by an employer-initiated legal challenge on the grounds that the catering industry did not constitute a 'trade' as defined in the 1909 and 1918 Acts, see F.J. Bayliss, *British wages councils*, pp. 27-28.

²¹⁹ For an account of the vicissitudes of this campaign see 'Memorandum to the TBAC ... regarding the efforts made to obtain the statutory regulation of Wages, Hours and conditions in the Retail Distributive Trades' (Co-operative Union Ltd, 1940), MRC, MSS. 292/230/3 & F.J. Bayliss, *British wages councils*, pp. 36-41.

²²⁰ TBAC, Executive Committee meeting minutes, 16 Dec. 1937, MRC, MSS. 292/230/2.

²²¹ In view of the inability of collective agreements to stand in this sector, by this Act the government provided the industry with statutory wages machinery modelled on the trade boards. For the background to the Act, see F.J. Bayliss, *British wages councils*, pp. 30-34.

²²² See minutes of the Cabinet meeting of 8 Dec. 1937, PRO, CAB23/90A/C.46(37).

²²³ 335 *H.C. Deb. 5s.* col. 1622, during the second reading debate on the Bill on 11 May 1938.

²²⁴ New trade boards were established in the following industries: Fustian cutting (1933); Cutlery (1933); Baking (1938); Rubber Manufacture (1938); Rubber Reclamation (1939); Furniture (1940). In the case of the first two boards listed, the initiative came from the Unions, see TBAC 13th Annual Report, TUC, 65th Annual Congress Report, 1933, pp. 152-53. In the case of the latter three boards listed, trade unions were coaxed into a joint request to the Minister on the initiative of the employers. For initial TUC reluctance to support the employers desire for a Furniture Trade Board, see TBAC 18th Annual Report, 70th Annual Congress Report, 1938, p. 165.

²²⁵ F.J. Bayliss, *British wages councils*, p. 44.

²²⁶ A.G.B. Fisher, *Some problems of wages and their regulation*, p. 70.

²²⁷ Minutes of the Cabinet Committee on Home Affairs meeting of 25 Nov. 1919, PRO, CAB26/2/HAC/46.

²²⁸ J. Hallsworth, *The legal minimum*, pp. 61-62.

CHAPTER FIVE

A LIVING WAGE FIT FOR HEROES?

INTER-WAR 'NATIONAL' MINIMUM WAGE

POLICY INITIATIVES

The previous chapter demonstrated that statutory minimum wage 'interference' was accepted by 'middle' opinion during the inter-war period only within the limited confines of the wages boards model. Bearing this 'lowest common denominator' minimum wage compromise in mind, this chapter will analyse the promotion of other forms of statutory minimum wage policies during the same period.

The unprecedented characteristics of the inter-war economy arguably presented an opportunity for enthusiasts of a national minimum wage, by offering skilled workers reasons to support it. Pay differentials, between skilled and lesser-skilled workers, failed to revert to their pre-war patterns and unemployment claimed a *minimum* of one million casualties, ten per cent. of the insured labour force, *throughout* the 1921-1939 period. A minimum wage could thus help trade unions maintain wage standards for those in work. Few doubted the need for some insurance against the downward pressure on earnings, caused by short-time working, reduced opportunities for overtime and employers, under sharp competitive pressure in home and overseas markets, anxious to cut rates. Nevertheless, the minimum wage issue was never to ignite a majority of the labour movement.

Before the onset of depression in 1921, prospects for universal legal minimum wage coverage seemed brighter. During the 1918 election campaign, Lloyd George endorsed the principle of a minimum wage for all workers.¹ However, this policy was one of many commitments not delivered by the post-war coalition government. An analogy can be drawn with the housing issue. Lloyd George's promise of 'homes fit for heroes' symbolised for many both the great hopes raised for social 'reconstruction' after the carnage of the Great War and the dashing of those hopes by the time of the trade slump in 1921.

This analysis of the frustrated proposals for 'national' minimum wage legislation will be organised around five main categories. Firstly, the government-sponsored National Industrial Conference (NIC) of 1919 produced the greatest encouragement for national minimum wage campaigners; a government Bill was even published (ostensibly) to effect the recommendations of the Conference in this context. Secondly, parliamentary initiatives favouring national minimum wage legislation will be discussed. Again the omens were apparently positive, as the Commons endorsed the 1919 Bill in March 1924. Thirdly, the attitude of the trade unions will be explored and it will be suggested that their lack of support was a key explanation for the ultimate failure of a national minimum wage policy to be taken seriously by any government between the wars. Fourthly, study of the thwarted attempt by the ILP to commit the Labour Party to its extensive Living Wage programme prior to the 1929 election offers many insights into the mindset of the labour movement regarding state interference in wage determination. Finally, other initiatives by organisations and individuals will be looked at in the context of

their challenge to the prevailing orthodox explanations and supposed remedies for unemployment.

Orthodox doctrine held that if only workers would accept wage cuts, production costs would fall and hence make British-made goods more competitive in home and overseas markets. By contrast, unorthodox opinion, championed by renegade economists such as J.A. Hobson and J.M. Keynes, argued that the remedy for unemployment lay primarily not in supply-side measures, but in a state-induced stimulation of demand to revive the home market.

Closer analysis of the initiatives identified as being in favour of ‘a national minimum wage’ reveals that they were not what they appeared to be. In fact, historians hoping to find a groundswell of opinion in favour of a uniform statutory minimum wage akin to that which produced the legislation in Britain in 1998 or the USA in 1937, for example, will be disappointed. For instance, in 1922 the TUC General Council concluded that ‘A single national minimum wage is impracticable ... legislation other than for particular industries could not be profitably pursued at the present juncture’.² In addition, the National Industrial Conference favoured an alternative to a single national minimum wage: ‘Minimum time-rates of wages should be established by legal enactment and should be universally applicable.’³ Even the ILP programme for a Living Wage was not intended as a *statutory* minimum wage policy, apart from workers engaged on public sector contracts.⁴ Indeed, most of the ‘national’ minimum wage schemes proposed actually bore closer lineage to the forms of wage-regulatory apparatus existent in 1918 than the uniform national minimum wage model with which we are familiar today.

This is no mere pedantic point. This chapter disputes the contention of historians who maintain that a chasm separated 'moderate' advocates of wages boards from the 'more radical' national minimum wage policy enthusiasts. Referring the reader back to the assertion made in Chapter Two, above: 'Sheila Blackburn has constructed a false dichotomy between the uniform national rate and the "rival" trade boards minimum wage policy option.' It will be demonstrated that by interpreting policies headlined as 'a national minimum wage' at face value and as identical forerunners of the type of minimum wage currently operational in Britain, Blackburn has produced a misleading thesis.

She alleges that trade board enthusiasts such as R.H. Tawney, 'undoubtedly led astray by pragmatic considerations', disingenuously exaggerated their success ^lparty because they 'hoped to undermine the campaign for a national minimum wage popularized by the Webbs since 1897.'⁵ Granted, Tawney, J.J. Mallon and others connected with the National Anti-Sweating League did exaggerate the positive and downplay the negative aspects of trade boards in operation. However, as Blackburn herself acknowledges, 'Tawney felt that a positive image was necessary for the trade boards in order to refute orthodox economists' belief that minimum wage regulation was an unwarrantable intrusion by the State in the wages bargain.'⁶ Trade unionists, employers and politicians needed to be reassured of the validity of the minimum wage principle. It is difficult to accept the hypothesis that Tawney *et al* were able to browbeat mainstream political opinion generally, and mainstream labour movement opinion in particular, into turning against the idea of a national minimum wage in favour of trade boards.

Rather, it is argued here that there was no need for a campaign to discredit a national minimum wage policy because support for it *as a practical policy expedient* was too insignificant amongst the British polity. By viewing the policy of a single national minimum wage with disfavour, Tawney was arguably thoroughly representative of the ‘very moderate socialist indeed’ labour movement!

The National Industrial Conference met on 27 February 1919 against the background of acute industrial discontent. The chaotic condition of Continental Europe added plausibility to fears of Russia leading a ‘domino effect’ of Bolshevik revolutions, whilst British rule faced strong direct challenge in Ireland, Egypt and India. Back home, many trades were affected by an eruption of industrial tension. A major dispute in the cotton industry was followed by disorder in Belfast and Glasgow during the engineering workers’ strike. Troops and tanks were even deployed on the streets of Glasgow against the strikers. Concurrent disturbances amongst the troops in Kent, together with the police strikes of the previous summer, placed the reliability of the forces of law and order in doubt during this highly charged national mood. In the midst of the pandemonium of January 1919, the announcement by the Miners’ Federation that it would begin a nation-wide strike on 19 March unless a six-hour day, thirty per cent. pay rise and nationalisation of the coal industry was won, heralded the imminent prospect of the long-feared ‘Triple Alliance’ strike, especially as industrial relations on the railways were particularly tense.

Whilst the appointment of the Sankey Commission averted the threat of the coal-miners' strike in the short-term, the National Industrial Conference was intended to provide an arena for trade unionists and employers' representatives to discuss their grievances with a view to agreement on policy remedies.⁷ The idea for some national forum along these lines was actually initiated by moderate opinion on both sides of industry. In October 1918, the National Alliance of Employers and Employed advocated a national conference of employers' and workers' representatives. Furthermore, it drafted a scheme 'for the reorganisation of industrial life in the country'. To complement industry-level Whitley Councils, a Central Industrial Board was envisaged, and consideration of the national minimum wage issue was to be amongst its duties.⁸ After the success of the Caxton Hall Conference of the previous November, Robert Horne, Minister of Labour from January 1919, was keen to promote this consensual policy as an antidote to the industrial tension prevalent in many sections of industry.

Bearing in mind the strength of Conservative representation in the 1918-1922 parliament, even right-wing MPs were prepared to grant major concessions to labour as a bargaining counter in the cause of increased productivity, in particular, a permanent end to restrictive practices. During a debate on a Labour motion calling for 'a higher standard of life and social well-being for the people', Richard Cooper called upon the Government both to summon a national industrial conference and legislate for 'a legal minimum wage in all the industries of the country'.⁹

In the event, the Triple Alliance unions, the Amalgamated Society of Engineers and the coal-owners boycotted the inaugural meeting of the

National Industrial Conference, which comprised 800 delegates from both sides of industry.¹⁰ The absence of such TUC ‘heavyweights’ doubtless handicapped the long-term credibility of the conference and its policies. Nevertheless, the Conference proved the shrewdness of the government’s strategy for calming down the industrial temperature: it gave a voice to those on both sides of industry who sought dialogue rather than conflict with the other side. ‘Lloyd George showed no anxiety as to whether the Conference was fully representative of all shades of opinion of both sides of industry.’ Furthermore, like Henderson, he recognised that for ‘workers without the “industrial muscle” of the Triple Alliance, national negotiations with the expectation of concessions underwritten by statute were very attractive.’¹¹

At the 27 February conference, Robert Horne emphasised that, so long as production costs did not rise, the government had no objection to legislating in favour of maximum working hours and minimum wages. Allan Smith, the hard-line leader of the Engineering Employers Federation, emerged as the dominant voice amongst employers represented at the conference.¹² At first, his tone was dismissive; ‘the whole experience of the last twenty years has proved that if only the government will leave us alone we are far better able to settle our differences than any agencies outside’. However Smith promised ‘that employers are prepared to go much further than the workmen imagine’.¹³

A reading through the *unanimous* report of the Provisional Joint Committee (PJC) of the industrial conference confirms that Smith kept his word in this respect. The PJC was established at the first conference to draft recommendations to address the causes of industrial unrest in time for the second meeting of the full conference scheduled for 4 April.¹⁴ Applying

pressure on the government to act on the PJC's report, Arthur Henderson emphasised that both sides of industry had refrained from pressing their extreme claims, thus ensuring unanimity.¹⁵ In view of the amicable spirit in which the PJC report was produced, it was naturally endorsed by the full National Industrial Conference on 4 April, 'a body which, in spite of serious gaps, represented a very large portion of the field of industry'.¹⁶

The PJC report made three key recommendations. Firstly, the establishment of a permanent national industrial council, comprising two hundred representatives each of employers and workers presided over by the Minister of Labour, with a standing committee of twenty-five. Secondly, legal enactment of a maximum working week of 48 hours, with a provision for variations in either direction subject to negotiated agreements in individual trades. Thirdly, a universal minimum wages policy.¹⁷

The minimum wage recommendations of the National Industrial Conference have been misunderstood in many quarters from the moment they were published. Accordingly, it is worth re-stating what the report did, and what it did not, recommend. The NIC emphatically did *not* recommend 'that a flat national minimum wage should be made universally applicable'.¹⁸ The report clearly favoured universally applicable legal minimum time rates of wages, emphasising the plural. Workers in organised trades were to be protected by the legal extension of voluntary agreements, whereas trade boards were recommended for less organised trades. In short, 'Whitleyism with teeth'. The PJC recommended a minimum wage for all, minimum wages in the plural sense, i.e. universal statutory minimum wage protection, but not a universal minimum wage rate, a singular national minimum wage. All but the

most fanatical followers of the minimum wage debate, from contemporaries in 1919 to modern day historians, have muddled this distinction. Even Rodney Lowe, author of several comprehensive accounts of the National Industrial Conference, has betrayed a lack of certainty on this point. He has frequently referred to the NIC's endorsement of a national minimum wage (in the singular).¹⁹

On 4 April Lloyd George gave an undertaking to the NIC that its report would receive 'immediate and sympathetic consideration' by the government.²⁰ Accordingly, once Lloyd George had returned to Britain, the War Cabinet met and endorsed the report of the Industrial Conference. Robert Horne felt that a legal minimum wage pronouncement would be popular with the public.²¹ After all, they had been promised such a policy by the electioneering Prime Minister just a few months earlier. Winston Churchill, the minister responsible for the original Trade Boards Act, 'strongly approved recognition of the principle of wage minima. In his opinion the real answer of ordered society to Bolshevism was the frank recognition of minimum standards and open access to the highest posts in industry.'

The easing of industrial tension coincident with the beginning of an economic upswing during April 1919 may have lessened the government's incentive to champion bold industrial reforms. The first detailed response by the government to the PJC on 1 May offered it very few fruits for its labour. True, Horne read a letter from the Prime Minister to the meeting in which he pledged, 'I accept the principle that minimum rates of wages should in all industries be made applicable by law.'²² However, whilst the PJC recommended legislation endorsing the universal minimum wage policy

followed by a commission to work out its detailed implementation, the government proposed only a commission to enquire how such a policy might be implemented. It also insisted that industrial workers only be covered by a minimum wage, thus excluding low paid white-collar workers such as clerks and post office workers. Arthur Henderson and Allan Smith had good reason to question whether the government was matching the good faith they had demonstrated in producing a unanimous report. Smith refused Horne's request for the establishment of the permanent National Industrial Council on the grounds that the government had not yet legislated in favour of the minimum wage and maximum hours recommendations of the conference.²³ The *Daily Herald* asserted that 'Labour wants legislation on the principle of the minimum wage forthwith, and the settlement of the individual minimum afterwards – not a Commission first (which may take years) and then possible legislation.'²⁴

Over the next few weeks, Horne was able to make minor concessions to the PJC regarding the proposed minimum wages legislation. For instance, he agreed that the Bill should cover juvenile workers aged between fifteen and eighteen.²⁵ More importantly, the government agreed to declare in favour of the minimum wage for all principle in the following preamble to the Minimum Rates of Wages Commission Bill:

Whereas it is expedient that minimum time rates of wages should be fixed for all persons of the age of fifteen years and upwards, and should in the case of persons of the age of eighteen years and upwards be fixed at such amounts that all such persons, whether employed at a time rate, or according to any other method of remuneration, will be afforded an adequate living wage; and that a

Commission should be appointed to inquire into and decide what those rates should be and the manner in which they should be brought into operation²⁶

The Bill was finally presented to the Commons on 18 August 1919, just prior to the two-month long parliamentary recess, and over two months since the PJC had emphasised its disappointment with the Bill as it stood! Welcoming the belated presentation of the Bill and its twin, the 48 Hours Bill, *The Times* applied a liberal coat of positive gloss to their long gestation period and concluded, somewhat optimistically:

The interval, apparently prolonged, between the presentation of the Committee's report in April and the introduction of the two Bills by the Minister of Labour, has been occupied by full discussion of the details of measures between the Government and the Joint Committee, and as a result doubtful points which might have impeded the passage of the Bills and hampered their working when passed if they had not been cleared away, have been cleared up.²⁷

In fact the delay in the publication of the Bills was due more to controversy surrounding the Hours of Employment Bill than the disappointment felt by the PJC at the shortcomings of the Minimum Rates of Wages Commission Bill. Indeed, contrary to the claim of *The Times*, this disagreement remained emphatically *unresolved*.

From the start the government were insistent that certain groups such as agricultural workers, merchant seamen and domestic servants could not be subject to legislation limiting the working week to 48 hours and refused accordingly to incorporate them in the proposed legislation. As Rodney Lowe

has argued, this unilateral action was unnecessarily stubborn. The NIC proposal allowed government-sanctioned exemptions from the maximum working week rule and trade unions recognised the desirability of this caveat. 'All unions wished to be included in the Bill, however, so that they would be in a stronger bargaining position – especially on overtime pay.'²⁸ The labour movement was particularly angered at the exclusion of agriculture from the Bill, not least because of the overtime issue. Such discrimination against agricultural workers provided the only occasion for a matter relating to the National Industrial Conference being debated on the floor of an annual Trades Union Congress.²⁹

In response to the government's continuing bad faith regarding the Hours Bill the labour side of the PJC refused to countenance the establishment of a permanent national industrial council. A second blow to the government's Hours of Employment Bill came in October 1919 with the inaugural International Labour Organisation (ILO) conference at Washington's Eight Hours declaration. This was because, as *quid pro quo* for Saturday afternoons off work most British workers worked in excess of an eight hour day mid-week, a practice forbidden under the Washington convention. Burdened by yet another layer of controversy, the two 'NIC Bills' were effectively sunk in October 1919.

The government made no serious attempt to re-float either the Minimum Rates of Wages Commission or the Hours of Employment Bills. In spite of repeated pressure in the Commons,³⁰ the government refused to honour its promise, renewed in the 1920 Kings Speech, to persist with the legislation. T.J. Macnamara, Minister of Labour from March 1920, guilefully denied that

the government had abandoned the Minimum Wages Bill whilst at the same time stressing that there was no need for it since trade boards expansion was proceeding at a good pace.³¹ In November 1920 Lloyd George, likely betraying wilful dishonesty, even promised to re-introduce the Bill during the 1921 Session.³² However, no one was surprised when at the start of both the new Session and the severe economic recession, Macnamara admitted finally that the Bill had been abandoned.³³

At first sight it may appear surprising that the Hours Bill proved a more controversial impediment to the success of the NIC than a Bill legitimising national minimum wages. However, two factors must be borne in mind. Firstly, by contrast with the 48 Hours Bill, the Labour side of the PJC had already swallowed its disappointment at the inversion of the NIC's proposal for minimum wage legislation. There seemed less point in opposing a mere inquiry when a full-blown legislative proposal appeared flawed. Secondly, the labour movement's refusal to surrender further ground to the government, regarding the Hours of Employment Bill, reflected their firmer grounded conviction that the state had a right and a duty to intervene in industry over the question of hours. After all, the Ten Hours Act had been enacted in 1847 and the TUC had first called for a statutory eight-hour day in 1890. Conversely, trade unionists remained wary of government 'encroachment' into the wage-bargaining question, which they regarded as their exclusive preserve.

The uncertain political atmosphere, that had fostered the National Industrial Conference experiment in the spring of 1919, had evaporated by the autumn. The early 1919 fear of a revolutionary mood, which led some powerful people to contemplate widespread concessions to the labour

movement, gave way by the summer to an overriding concern at the perils of inflation. This change of mood was testament to the government's success in diffusing the threat of concerted Triple Alliance industrial action. As Chris Wrigley has observed, the cool nature of the government's true commitment to the flagging NIC became apparent only after the long feared national railway strike had come and gone by 5 October 1919.³⁴ Rodney Lowe has demonstrated how the resurgence of orthodox economic instincts was both fostered and exploited by the Treasury from the summer of 1919 as part of its drive to re-establish control over government departments.³⁵

Government acceptance 'in principle and detail' of the final report of the Cunliffe Committee in December 1919, recommending the restoration of sterling to the Gold Standard at its pre-war parity as soon as was feasible,³⁶ represented the triumph of the orthodox fight-back within Whitehall. Thereafter, the likelihood of the government looking favourably upon a comprehensive policy of legal wage minima was even more remote. Restoring the pound to its pre-war exchange rate value necessitated sustained long-term deflation and applied downward pressure on industry's costs, of which wages were naturally a significant element. Indeed, a revealing indication of this explicitly negative line came from Robert Horne in November 1919. Hitherto the champion of the NIC within the Cabinet and the sponsor of the not-yet-dropped Minimum Rates of Wages Commission Bill, he was embarrassed at having to extend the provisions of the Wages (Temporary Regulation) Act for a second time. Nevertheless, he endorsed the view that 'the persistent interference on the part of the State with the wages question would ultimately bring disaster to the industries of the country'.³⁷

In November 1919 Horne won an extra grant from the Treasury to establish a further 100 trade boards, in order to counter the NIC's plan for a minimum wage for all.

He was afraid that the [proposed Minimum Wage] Commission might run away with wild ideas unless they had something better than statistics to rely upon, and that they would arrive at a figure for the cost of living which was hopelessly out of relation to the actual facts. The result might be that minimum wages might be fixed for trades without any regard to the economic condition of the trade, with the consequence that the trade would be crippled or the State would be involved in serious demands for subsidies in support of economic wages.³⁸

Of course, it is the contention here that had all of the proposed trade boards been established, the Ministry of Labour would have travelled a considerable length towards the hopes of the National Industrial Conference. For the one hundred trade boards would have encompassed virtually all of the ill-organised low-paid workers whose work could have been classified within a 'trade'. Save for the necessity of provision for the legal extension of voluntary agreements, whether negotiated through joint industrial council or 'pure' collective bargaining machinery to protect vulnerable workers in otherwise organised trades, a *de-facto* minimum wage for 'all' would have been well on the way to realisation.

In any case, the fragile industrial consensus upon which the NIC depended had all but collapsed by the autumn of 1919, along with the government Bills to sustain it. As P.B. Johnson characterised the situation in

October 1919; 'precisely when the will to go the extra mile was most needed, neither side seems to have had the ultimate flexibility and vision.'³⁹ More to the point, the NIC 'foundered on the unwillingness of any of the parties, not least the unions, to compromise traditional rights.'⁴⁰ The government was unwilling to surrender sovereignty over industrial policy to a national industrial conference.⁴¹ Employers, particularly within Allan Smith's NCEO, were instinctively resistant to government regulation and generally opposed to minimum standards.⁴² Indeed, the EEF ethos tended to regard almost any concession to trade unions as an assault on managerial prerogatives to be won back come a suitable opportunity. In their turn, trade unions proved an equally robust guardian of their turf. For instance, legislative realisation of one of the NIC recommendations, the provision for legalisation of voluntary agreements in the Industrial Courts Bill, was scuppered at the insistence of the TUC.⁴³

In the final analysis, the incorporation of a policy such as the legal 'straight-jacketing' of collective agreements, which the TUC continued to oppose, amongst the report of the NIC should alert the historian to question the wisdom of taking the Conference too seriously. After all, leading elements of the labour movement refused to do so from the start. Likewise, for eternal optimists, the adherence of a hard line employer such as Allan Smith to a programme of social reforms including minimum wages for all is evidence of the enduring power of reasoned dialogue and compromise. Alternatively, such jarring contradictions rendered the prospect of success for the NIC as slight from the start. At no point in this period was there a sufficient basis for consensus between both sides of industry for a project like the National Industrial Conference to succeed. Indeed, this lack of consensus, graphically

illustrated by the plethora of actual or threatened industrial conflicts, provided the spur to the establishment of the National Industrial Conference in the first place.

The surprising thing about the National Industrial Conference between February and April 1919 was not its failure to achieve consensus but the extent to which it achieved it in the report ... In these months many employers were indeed willing to make concessions to labour and to negotiate with moderate Labour leaders... However, the period in which such employers as Sir Allan Smith felt that way and can have hoped to carry their organisations with them was fairly brief. As the threat of serious social unrest receded and as the economy recovered from wartime abnormalities, they, like the government, became more concerned with the productivity of British industry in competing for markets in a world economy recovered from the war and became resistant to further concessions to labour beyond those extracted in late 1918 and early 1919.⁴⁴

In short, the government was content with the role of the NIC in calming the industrial tension during the spring of 1919. But if industrial relations were not in a good enough state to preserve the NIC policy prescriptions, it was not going to waste political capital on them.

Before moving on to the theme of parliamentary initiatives to re-float the 1919 Bill, it is worth considering briefly the most likely outcome of a Royal Commission on Minimum Wages. The government would have chosen its membership with care, and the opinions of employer and trade union

witnesses would have carried great weight. The single national minimum wage policy was not amongst the Commission's remit and it is difficult to imagine representatives from either side of industry lobbying for it. Assuming that the Commission recommended a universal minimum wage policy, it would thus have been on an industry-by-industry basis, i.e. the expansion of tried and tested trade boards and joint industrial councils. Hence the apparent disparity between the wages boards and 'national' minimum wage policies narrow to a chink of interpretation and to an extent of application. This is especially so when it is remembered that most 'national minimum wage' (singular) policy propositions were technically misnomers for a policy of a minimum wage for all.

The Labour Party's National Minimum Wage Motion of 7 March 1923 was evidence of the above contention. Its sponsor, Dr. Alfred Salter,⁴⁵ emphasised:

We do not ask for a universal, flat rate minimum applicable to all industries and all districts alike. We recognise that that is impracticable under present conditions, more especially as the cost of living varies within wide limits between area and area and rural and urban districts especially. The suggestion which we put forward is that there shall be a national rate for each trade with zonal or district variations. As to the method of securing that, we suggest that there shall be established by law Wages Boards on the same principle as Trade Boards, which Boards, after proper inquiry, shall have power to fix rates which will be binding on employers in the

trade with, of course, certain zonal and district variations fixed after further inquiry. So far as regards trades where both employers on the one side and workmen on the other are properly organised, and by negotiation have come to agreement as to a minimum wage figure, we ask that such agreement, by the fact of registration, shall have the force of law and be binding on all concerned.⁴⁶

Labour MPs conceived the 'national minimum wage' within the context of the National Industrial Conference's prescription of the expansion of existing wage-regulatory apparatus and legalisation of voluntary agreements in order to secure 'a minimum wage for all'. In fact, the Motion urged the government to re-introduce the 1919 Minimum Rates of Wages Commission Bill. Salter believed 'that it is quite impossible to set up Minimum Wage Boards to determine rates of wages in each trade without a great deal of preliminary inquiry, and without a great deal of data'. As to the basis upon which minimum rates were to be fixed, Salter drew upon the work of Rowntree into 'physical efficiency' 'nutritional needs' standards and cited American and Australian minimum wage cost of living 'living wage' criteria.⁴⁷

After two years of severe economic depression and an inexorable decline in wage rates, albeit at a slightly less severe trend than the fall in prices in most trades, the labour movement appreciated the concept of a floor to wages.⁴⁸ Or at the very least, its political wing did. Labour's commitment to the 'national minimum', enshrined in *Labour and the New Social Order*, embraced the conviction that 'the system of a legal basic wage should be "extended and developed so as to ensure to every adult worker of either sex a statutory base line of wages (to be revised with every substantial rise in prices)

not less than enough to provide all the requirements of a full development of body, mind and character””.⁴⁹

Although Salter's Motion received a sympathetic hearing from the Liberal benches,⁵⁰ Conservatives were unimpressed that a Coalition measure from 1919 was to be resuscitated. With doubtful nous, Salter cited the support of Lloyd George for the original Bill.⁵¹ Although giving yet another performance in his role of the arch-individualist buffoon, Frederick Banbury probably encapsulated the mood prevailing on the Tory benches when he declared that 'extremely foolish' things were done in 1919.⁵² A. Boyd Carpenter, the junior Minister of Labour, could point out that 'A good deal of water has run under the Thames since then'. He dismissed any minimum wage other than the limited application of trade boards as impossible.⁵³ In the event, given the healthy Tory majority in the Commons during the 1922-23 parliament, Salter's Motion did extremely well to come within thirteen votes of victory.⁵⁴ The moderate nature of the motion, merely calling for a Royal Commission into a minimum wage for all policy, accounted for this near success.

Only twelve months later the political situation had been transformed; the first Labour government was in office, albeit with precarious parliamentary backing. On 4 March 1924 the Commons passed, without voting, Salter's Motion. This event, along with the introduction of the government-sponsored Bill in 1919, should represent the high water mark of the likelihood of a realisation of the policy of a minimum wage for all during the inter-war era. However, on closer inspection, the prospect of sincere government adherence to the policy appeared as remote as ever.

The debate exposed the discomfort of Tom Shaw, the Minister of Labour.⁵⁵ Anxious to reassure his backbenchers that the government supported the Motion, in the same breath he refused to undertake to act on the resolution on the timid grounds, even allowing for the government's lack of majority, that the resultant Bill could encounter opposition. 'I am afraid that we should find a tremendous amount of opposition and discussion in Committee, and the other things that we think are more urgent would be badly held up. Quite frankly, that is the position of the Government.' Shaw followed this assertion with a passionate defence of the principle underlying the motion! Opposition MPs naturally lambasted Shaw for his chutzpah.

The explicitly lukewarm support of the Labour government for this policy was as much a reason for the 'nodding through' of the resolution as the stronger representation of 'progressive opinion' in the Commons since the narrow defeat of Salter's Motion in 1923. After all, faced with adverse parliamentary arithmetic, there seemed little point in anti-minimum wage forces rallying when there was little threat of a government actually implementing it.⁵⁶ Accordingly, a minor Tory frontbencher recited the Tory Party stance as outlined the year before by Boyd Carpenter.⁵⁷

Joseph Compton acknowledged the misgivings within the labour movement regarding a statutory minimum wage for all policy:

The larger trade unions may have something to say with regard to the proposal. They may claim, and rightly, that for many years past they have been able to conduct their own negotiations and look after their own industries. But there are hundreds and thousands of people engaged in various industries, where trade union effort has been

handicapped, and where rates, even in the majority of trades to-day, are not capable of maintaining a man, his wife and family in the common necessities of life.⁵⁸

Labour movement unity faced no challenge from the phantom threat of the government announcing a Royal Commission on minimum wages. On 13 May 1925 the third and final attempt by Labour MPs to induce the government into this action was defeated by a resounding 227 votes to 132.⁵⁹ Morgan Jones, MP for Caerphilly, and sponsor of the 1925 resolution, appealed in vain to the entrenched Tory majority: 'There is no need for them to be alarmed on account of this Motion. The rapacious wolves of revolution will not be scratching at their doors to-morrow morning on account of its being passed. It merely states a principle which, I presume, is acceptable to all decent-minded men.'⁶⁰

The next Labour Motion in the Commons on 15 March 1927 was a much more timid affair.⁶¹ Whilst bemoaning the low rates of wages prevailing in industry, the resolution called upon the government merely to be a model employer. This scaling down of ambition epitomised the retreat of the labour movement during the initial post-General Strike period.⁶² The debate was notable only for a breezy assertion by Sidney Webb that parliament had paid insufficient attention to the wages question.⁶³ In this, parliament was truthfully representative of Webb himself. Since his election to the Commons in November 1922 he had failed to contribute to any of its debates on the minimum wage issue. Furthermore, he chose to forego executive responsibility for the minimum wage by refusing MacDonald's offer of the Ministry of Labour in January 1924.⁶⁴ Nevertheless, those historians who maintain that a dichotomy exists between trade boards and national minimum

wage policies may be interested to know that even Sidney Webb, co-author of the first call for a national minimum wage in 1897, paid a glowing tribute to the trade boards. He regarded them as 'a great instrument for raising those wages, which has proved more potent in these downtrodden industries than even trade unionism ... The operation of the Trade Boards Act has led to a miraculous improvement in certain industries.'⁶⁵

The above assertion by Sidney Webb would have touched a raw nerve in many trade unionists. As shown in the last chapter, unions faced a dilemma with regard to the issue of government encroachment into wage-rate determination. On the one hand, they recognised that the existence of a significant 'residuum' of unorganised, largely unskilled labour earning wages at or near sweated level served to undermine wage standards all round. Conversely, the TUC was resistant to ceding control of industrial policy to even the political wing of the labour movement,⁶⁶ let alone to the 'hostile' agency of the state. Christopher Nottingham has offered a pertinent summary of the unions' attitude towards the state during this period:

The state was an organisation with a history of bias towards the employer, and it was futile to contemplate collaboration with state institutions as a way of advancing the interests of workers. The function of the political representatives was to neutralise the state so that the unions could bargain more effectively. The welfare of the workers was to be defined almost exclusively in terms of the wages and conditions their unions could secure for them. Developments in social policy would have to take place within these confines.⁶⁷

This conception allowed little room for a statutory minimum wages policy, deemed an interference with the inviolable principle of free collective bargaining. Indeed, as was shown in Chapter Three, state regulation of wages during the war often *held wage-rates down*, particularly of those skilled grades well represented at the TUC. Rather, as a working class self-help industrial interest group, organised labour perceived the true remedy for low wages to be inexorably linked with its own fate: ‘the main line of attack on low wages, as far as we are concerned, is the vigorous extension of Trade Union organisation.’⁶⁸ Nevertheless, in lieu of the day when a comprehensive organisation of workers had been achieved in even the lowliest of trades, the unions were prepared to support ‘the extension of the Trade Board system in suitable cases’.⁶⁹

However, crushed by adverse economic conditions that facilitated a relentless employer campaign to force wage cuts, even the spirit of the ‘independent collier’ was apparently broken in 1921. At the TUC Congress that year, a Miners’ Federation delegate proposed a motion calling for a national congress to consider the fixing of a minimum wage for all workers.⁷⁰ Whether or not the TUC hierarchy were happy with the resolution, they could hardly ignore it given that it had been passed with the sponsorship of the mighty Miners’ Federation.

Consequently, the General Council, in conjunction with the TUC/Labour Party Joint Research Department, produced a Report in time for the following year’s Congress gathering.⁷¹ Acknowledging that the ‘Labour movement has always declared that the adequate remuneration of the workers should be in practice as well as in theory, the first charge on industry’, the

report nevertheless asserted that it was 'difficult to translate into terms of money what this minimum standard of life should involve.'⁷² The report recognised 'the great difficulty of establishing through the wage system an equitable and adequate standard of life for all workers', not least because that adequate standard varied for each individual worker according to the number of dependants, if any, he supported.⁷³ Crucially in view of the variation in prevailing wage rates between trades, the 'simplest plan' of a uniform national minimum wage for all workers was deemed likely to 'result in Parliament establishing a relatively low national minimum'. A minimum fixed at the limit of what an industry such as agriculture could afford 'would be of no assistance whatever to the worker in manufacturing industries, and if it were established it would tend to depress wages, or at least hamper the increases of wages in industries where the prevailing rates were above the legal minimum.' The report was also careful 'to draw a distinction between trades where the workers desire some form of legal minimum wage, and those in which the unions feel able to maintain satisfactory rates by their own action.' Here, 'if no legal interference is desired in particular industries by the Trade Unions concerned, they should be left free to pursue their own methods of enforcing adequate wage rates.'

Generally, the report concluded that 'there are practical difficulties in the way of a single national minimum wage; and it is probable that more substantial results will be obtained by the method of attacking the problem in each industry.' 'Either by means of Trade Boards or some similar machinery, industries could work towards the national minimum standard of life as rapidly as circumstances allow.' Therefore, 'legislation other than for particular

industries could not be profitably pursued at the present juncture, and ... a Special Congress, as suggested in the Cardiff resolution, is not advisable.'

Interestingly, the above report was to have included a paragraph suggesting a national weekly minimum wage for men and women, namely 63/6 and 36/- respectively. The sums were arrived at by inflation-adjusting Seebohm Rowntree's 'Human Needs Standard' figures for 1914. 'The feeling of the majority of the Committee however, was strongly against this passage being allowed to stand part of its Report and being made public.'⁷⁴ Rowntree's mere subsistence level monetary benchmarks were conceived with the best of intentions; namely to illustrate that a significant minority of working class households lacked sufficient income even to maintain basic 'physical efficiency'. However, many trade unionists were extremely sensitive to the notion that working class living standards should be stereotyped at any specific level. In their minds, a minimum standard intended to install a 'floor' to the wage system could all too easily mutate into a 'ceiling' holding down working class aspirations. In other words, *minimum* wages could become *standard* wages, which could drag down the rates paid to higher grades of labour.⁷⁵

More fundamentally, nutritional needs-based minimum wage standards were an insult to labour movement psychology, as they indicated that the proportion of wealth allocated to workers should be akin merely to that of a serf on his landlord's estate or an animal to the farmer. Resentment amongst organised labour at this 'fodder basis' produced a level of analytical blindness towards the minimum wage principle. Trade unionists tended to concentrate upon the *standard* proposed, which it feared would become a maximum, rather than the meaning of the word *minimum*. The Webbs had forewarned in 1897

that a subsistence minimum wage would 'be low, and though its establishment would be welcomed as a boon to unskilled workers in the unregulated trades, it would not at all correspond with the conception of a "living wage" formed by the Cotton Operatives or the Coalminers.'⁷⁶ Fear that a 'legal wage rate which compared unfavourably with the wage rates negotiated freely in almost every industry' would serve as a 'state approved normal wage, the effect of which would be to drag down wage rates in other industries'⁷⁷ determined the TUC's continuing hostility to a statutory national minimum wage for sixty years after 1922.

Proof that fear of the state establishing a definitive benchmark measure for working class standards of living extended to the summit of the TUC hierarchy came in 1929. Walter Citrine spoke against a motion calling for the Ministry of Labour to update its cost of living index so that its weightings more accurately affected actual patterns of working class household expenditure. He feared that

while collecting statistics for the purpose of an index figure, something in the nature of an absolute living standard might be attempted. ... Just as Charles Booth many years ago endeavoured to show that a workman and his family could live on a certain figure, so there is a danger in this case of the investigation being aimed not merely at obtaining an index figure, but obtaining a minimum standard on which workmen and their families can live at the present time. ... with unemployment rife in our basic industries, the tendency would be if an examination was made at the present time,

to reflect a lower standard of living than ought to be taken if a basis of this kind is to be established.⁷⁸

The following extract from a speech by a TUC delegate protesting at 'wage slavery' on a 'fodder basis' should caution the historian against accepting Sheila Blackburn's thesis that adherence to a national minimum wage policy represented the 'more radical' left wing standpoint:

In the main the condition of the working classes will always be a figure round about the bare cost of existence, a thing necessary in order to be material for the exploitation and gain of the capitalist in the labour market. ... so long as the wage-system lasts we shall have this fodder basis of living; we shall have this wage slavery. There will be no freedom.⁷⁹

Radical socialists favoured abolition of the wage system, not a perpetuation of 'wage slavery' on less onerous terms. It was the more moderate trade unionists such as Ben Turner who adhered to the minimum wage principle: 'It perhaps would be as well to recognise that the wage system is going to last longer than many of us thought it would do 20, 30 or 40 years ago. So long as the wage system does last I want to see a minimum established and people receiving that minimum not less than 52 weeks per year.'⁸⁰ This sentiment was responsible for two more attempts during the inter-war period to revive the TUC's interest in the national minimum wage question.

Motivated in all likelihood by his lukewarm attitude towards trade boards, Joseph Hallsworth urged the 1924 TUC to back the 'opinion that a vigorous campaign should be initiated immediately to secure an adequate national minimum wage for all workers.'⁸¹ Although the resolution was

carried, the wry prediction of J. Cross that the 'General Council, with their usual generosity, would accept the resolution, and next year give a paragraph or two in the report stating the difficulties in trying to find a solution of it'⁸² was not quite correct; the question was ignored completely at the following year's Congress!

More explicit opposition to the 'desirability of establishing a uniform National Minimum Wage for adult workers' was apparent at the 1926 TUC conference.⁸³ With the defeat of this resolution, discussion of the national minimum wage issue was banished from the floor of a Congress for twenty years. The emphatic tone of the TUC's 1922 report ('A single national minimum wage is impracticable') clearly crystallised the confines of organised labour's attitude toward the minimum wage issue for many years.

This was evidenced by the TUC's responses to the ILO's minimum wage fixing questionnaire. The trade boards system was explicitly supported.⁸⁴ In fact, the TUC's responses to the questionnaire betray a distinctly 'Whitley-ite' conception of the role of *statutory* minimum wages, encompassing trades 'in which organisation is defective or rates of wages are unusually low.'⁸⁵ Revealingly, the TUC also offered Seebohm Rowntree's 'human needs' scale minima as 'the most widely recognised living wage figures'.⁸⁶ By confusing a *minimum* basis of wages, albeit one designed to provide for a higher standard of living than bare physical subsistence, with the much broader concept of a living wage, the TUC offered one clue as to why it failed to adhere to the ILP's Living Wage campaign.

This defensive conception of statutory minimum wages in terms of only the wages board model was borne, at least in part, of organised labour's

insecurity during the 1920s. After all, apart from agricultural workers, who were deemed a special case by virtue of the obstacles to their organisation and their extremely low earnings, the vast majority of workers covered by wages boards were women. Female workers constituted seventy per cent. of those within the scope of trade boards. Trade Boards could thus be supported as an expedient to help the woman worker; too 'weak' or transient a member of the labour force to organise herself into a union that could fight for better conditions. Conversely, a national minimum wage protected *all* wage earners, the majority of whom were men. Support for this policy was an implicit admission that trade unions lacked the strength to win for their members a decent minimum wage. With declining coverage amongst workers throughout the 1920s and the psychological blow of defeat in the General Strike, trade union pride was not prepared to risk embracing a policy that could be interpreted as an acknowledgement of its waning virility.

Besides, Bevin's famous victory before the Shaw Inquiry⁸⁷ soon illustrated an important truism for the labour movement. Whilst the 16 shillings per day award was the most headline-grabbing element of the award, it was also to prove the most short-lived. The depression soon whittled down the daily wage minima. Trade unionists knew that whilst wage rates tended to fluctuate with the general price level, other elements of collective agreements, covering, for instance, hours, paid breaks and holidays and workplace conditions, were not so readily discarded during economic downturns. In short, wage-rates were a very important matter for workers, but they were not even the sole determinant of earnings, let alone the be all and end all of union organisation and effort.

To assert that the labour movement was opposed to a national minimum wage is not to dismiss the notion that a superficial level of support for the idea existed amongst many low-paid workers. This applied to both those organised into trade unions and more especially the millions of wage earners that were not. It is right to remember that organised labour was not synonymous with the working classes as a whole.⁸⁸ However, union membership did offer the most readily attainable means for the expression of the wage earner's viewpoint, not least because they were run by and for the benefit of the wage earning classes. The likely riposte of a (skilled) trade unionist to the contention that the TUC's opposition to a national minimum wage crowded out the 'voice' of a mass of unskilled and unorganised labour who would supported the policy was that this hypothetical 'voice' remained unheard was because it was *not organised*!

As industrial interest groups, trade unions were perfectly entitled to view policies in terms of the perceived interests of their members and the wider cause of organised labour. Trade unions were not philanthropic societies. Paul Addison has characterised the common aim of Bevin and Citrine as follows: 'to raise the status and influence of the trade unions in society. They were not very interested in the part unions would play in the socialist commonwealth of the distant future, but they did aim to improve conditions in the capitalist present.'⁸⁹ The disapproval of overly ambitious programmes by the TUC leadership and emphasis instead on winning practical benefits for workers should be borne in mind as we turn to an analysis of the failure of the Independent Labour Party's campaign for a 'Living Wage'.

The ILP's Living Wage programme was adopted as party policy at their April 1926 conference, under the banner of 'Socialism in Our Time'. Before analysing the components of this policy in the light of the failure of both the Labour Party and the TUC to support it, a short discussion of the context in which the ILP launched its Living Wage policy is necessary. Essentially, this involved a synthesis of strategic considerations with a manifestation of the ILP's long held ideological non-conformity. Considering strategic motivations first; as Dowse recognised, the restructuring of the Labour Party in 1918 left the *raison d'être* for the ILP's continued existence as a separate body in doubt. During the Edwardian period, 'the I.L.P. was both the major constituency organisation of the Labour Party and its main source of policy'.⁹⁰ However, by providing for individual membership, the 1918 constitution facilitated the growth of constituency Labour Party organisations, whilst *Labour and the New Social Order*, drafted by Sidney Webb, provided the party with a distinctive socialist programme.

Labour was now committed to a Fabian notion of socialism, in particular, the 'inevitability of gradualism'. Therein lay an opportunity for the ILP. By the mid-1920s, radical socialists had identified an obvious void in the belief, championed by MacDonald but widely accepted by the Labour Party, that socialism would somehow 'evolve' from capitalism, namely that it offered no explanation as to how this transformation was to occur.⁹¹ Formulation of a distinctive and extensive political programme aimed at the establishment of 'socialism', thereby offering a *de-facto* definition of socialism in the process, was thus the ILP's antidote to gradualism.

The Living Wage campaign of the 1920s had its roots in the ILP's high profile pre-war propaganda for a thirty shillings weekly minimum wage. More specifically, it provided a means of shifting the policy orientation of the ILP away from international affairs and towards a purely British dimension.⁹² In effect, the ILP hoped to find a solution to British economic difficulties, and in particular the 'intractable million' of the workforce unemployed, within the context of socialist policies tailored to the needs of the home economy. This was in contrast to the prevailing wisdom which held that as the disruption to world trade was a consequence of world international tension, a concentration on winning better international relations offered the prospect of a reprieve for Britain's hard-pressed export sector, where the bulk of the unemployed were concentrated.⁹³

An orthodox political consensus coalesced around the notion that, in order to raise the value of sterling towards its pre-war parity on the Gold standard, workers must accept wage cuts so that British industry could regain or retain competitiveness against foreign-produced goods.⁹⁴ In practice, even the Labour Party leadership embraced these assumptions. Given the persistence of high unemployment throughout the 1921-1939 period, this policy appeared both unsuccessful and masochistic to those unconvinced of the wisdom of orthodox economic policies. 'Underconsumptionist' theory appeared attractive to those believing that there must be *some* more effective method of reducing the numbers out of work.

J.A. Hobson had championed under-consumption theory for many years, rendering his ideas beyond the pale in the eyes of a majority of economists.⁹⁵ In essence, he identified a lack of purchasing power amongst the

masses as being responsible for a level of demand in the economy insufficient to match the increasing supply of goods possible under mass production techniques. This 'under-consumption' in the economy produced unemployment and depression. Accordingly, Hobson maintained that the 'only cure for under-consumption, as for the under-production it implies, is a better distribution of income, more favourable to the workers on the one hand, and to a larger revenue for social services upon the other.'⁹⁶

Underconsumptionist theory thus underpinned the trade unionist's case for higher earnings in particular and a redistribution of income towards the wage earning classes in general. Hobson acknowledged that many businessmen and economists thought it preposterous to propose high wages and high taxes as remedies for unemployment. Applied only to a single business or a single trade, Hobson concurred. In order to effect an expansion of demand for mass consumable goods on a general level, he recognised the need for a nationally applied high wage policy, sponsored 'either by an enlightened agreement among the leaders in most industries or by some State policy of minimum wages'.⁹⁷

In spite of remaining pretty consistent in his beliefs, Hobson, hitherto a leading apostle of New Liberalism, became an ILP member after 1918. Influenced by the extremely severe depression that followed the collapse of the short post war boom (official unemployment reached the unprecedented level of 2.4 million in May 1921, 22 per cent of the insured workforce) Hobson renewed his underconsumptionist arguments in *The economics of unemployment* (1922). Hobson's arguments were attractive to influential figures within the ILP who appreciated that they married several of the party's

principle beliefs, namely; concern for the unemployed, adherence to the living wage ideal, and a desire for a redistribution of wealth along socialist lines. In particular, both John Wheatley, leader of the 'Clydesider' group of ILP MPs, and H.N. Brailsford, editor of the ILP's *New Leader*, adopted Hobson's underconsumptionist arguments with enthusiasm. Hobson agreed to chair an ILP policy commission, which began its work soon after the ILP's spring conference of 1924. Its membership included Brailsford, Clifford Allen (then ILP Chairman), E.F Wise and Arthur Creech Jones.⁹⁸

Hitherto, Hobson's remedies for underconsumptionist causes of unemployment were intended to make the existing economic system work more humanely, harmoniously and hence more effectively. Arguably, capitalism would be preserved in society's glow of contentment radiated by high-earning, fully employed consumers and profit-maximising mass producers alike, even allowing for higher levels of personal taxation levied on the latter group in order to aid a redistribution of wealth towards the former group.

Under the ILP's aegis, however, Hobson's underconsumptionist arguments were presented in a different way. The Living Wage Commission's report⁹⁹ turned Hobson's optimistic presumption that a living wage for all workers was feasible under capitalism on its head; the inability of capitalism to ensure to wage earners a living wage was made the justification for a radical reorganisation of the economy on socialist lines. The Living Wage Commission report stated that 'any attempt to achieve the ideal of a living wage for industry generally ... will lead us far beyond our original objective.'¹⁰⁰

Asserting that ‘the political and the industrial [labour] movements are mutually dependent on one another’, the report argued that state assistance was required to foster conditions whereby trade unions could win a living wage for their members and thus lift the ‘limitation of the home market’ caused by low wages.¹⁰¹ As an immediate means of income redistribution, the report favoured a five shillings weekly family allowance paid direct to the mother in respect of each child of an insured worker, ‘to be financed entirely by direct taxation.’¹⁰² Furthermore, in order to achieve a stabilisation of the trade cycle, the ILP Living Wage programme involved extensive powers of state control over industry and commerce. The real value of the living wage was to be maintained by a nationalised Bank of England determining credit policy so as to prevent inflation, once the initial reflationary boost to the economy had been administered. Potential price rises were also to be checked via government control over the importation of foods and raw materials. Industries failing to pay a living wage would be directed towards reorganisation by a central Industrial Commission endowed with extensive powers of intervention, including the direction of future capital investment to industry. Above all, the Living Wage Commission considered it prudent ‘to lessen, wherever it can be done on economic lines, our own dependence on foreign trade. ... only by expanding the home market by a sound wages and credit policy, will it be possible to transfer labour easily from the depressed to the more promising trades.’¹⁰³

An ambitiously extensive programme indeed! At the risk of countering the Commission’s assertion that wages questions could not be disentangled from the wider issue of the complex operation of the capitalist system, only

those aspects of the Living Wage programme considered by the labour movement directly relevant to the wages question will be focussed upon. Principally, this concerns issues surrounding the proposal for family allowances, the determination of the living wage itself, and the extent to which this wage would be enforced by statutory means.

Brailsford's membership of Eleanor Rathbone's Family Endowment Society influenced the ILP Commission's endorsement of her repudiation of the labour movement's 'breadwinner' living wage shibboleth. Instead, the Living Wage Report supported Rathbone's call for a system of family allowances. It viewed family allowances a better means of fulfilling the socialist maxim 'to each according to his need' than a 'breadwinner' wage calculated on the basis that the 'typical' worker supported a wife and three children. After all, just over half of all adult male wage earners had no dependent children, whilst only 8.8 per cent. supported three children. A slightly larger group, 9.9 per cent., had more than three dependent children. Furthermore, forty per cent. of the nation's children were contained in these larger families. The ILP proposed, therefore, to base the Living Wage on the needs of a man and his wife, adding to it a weekly provision for each child.¹⁰⁴

In addition, the Report assumed that 'where a man and his wife are both wage-earners, that each is entitled to a living wage. The effect of increasing the family income by paying children's allowances, would, however, usually be to draw women away from industry.'¹⁰⁵ This attitude of easing women out of the labour market and thus creating more jobs for men by means of securing 'equal pay for equal work' was more in keeping with the ethos of many male trade unionists! However, in an era when job opportunities for the vast

majority of working class women were of an uninspiring 'blind alley' character, the Committee's hypothesis that such women entered the labour market primarily for reasons of financial necessity was probably correct.

However, trade unionists could not be expected to view the ILP's rejection of the five-member family 'living wage' with equanimity. The TUC justified this basis of wage determination '(1) because three children per family are requisite to replenish the population with a moderate rate of increase and (2) because a wage suited to such a family would at least provide an approximation to a minimum which would be generally applicable.'¹⁰⁶ Besides, in the eyes of most trade unionists, Rathbone's assertion that two-fifths of children would be inadequately provided for under a minimum wage calculated on a 'two plus three' basis only served to underline the need for a high base line to wages. A living wage based on the needs of two adults only would be of lower value than one taking account of the needs of a five-member family.

Trade unionists' hostility to any challenge to the 'breadwinner' living wage was thus inevitable. However, the ILP was not guilty of simple ineptitude in trampling over TUC sensibilities on this matter. Rather, the rejection of the 'two plus three' living wage in favour of a 'man plus wife' living wage, in conjunction with family allowances, reflected the sincerity of the ILP's attempt to seek a feasible solution to the underconsumption-induced weaknesses in the British economy. Experience in Australia, the one country where an attempt to attach a figure to the living wage concept was made, appeared to expose the fallaciousness of adopting a family living wage as standard.

Facing re-election in 1919, Australia's Prime Minister, W.M. Hughes, promised a Royal Commission 'to enquire into the cost of living in relation to the minimum wage, and would create effective machinery to secure a constant living wage.'¹⁰⁷ Accordingly, in November 1920, A.B. Piddington's Commission, composed of three representatives each of employers and workers, unanimously recommended the figure of £5 16s. on the basis of a two plus three family. 'But in reply ... the Federal Statistician answered that the entire proceeds of industry in Australia, even if all profit were eliminated, would fail to provide such a wage for every worker.'¹⁰⁸ The cost of providing for 'phantom' children had proved prohibitive. Accordingly, the Commission subtracted the cost of maintaining children, estimated at 12 shillings each per week, from the original figure and issued a revised recommendation of a £4 weekly wage, catering for the worker and his wife only, together with a 12 shillings weekly family allowance per dependent child.¹⁰⁹

By complementing a minimum wage strategy with family allowances as a means of securing full employment, the ILP displayed an understanding that three components were necessary in order to combat poverty caused by insufficient working class household earnings. In order to secure a *living income*, the worker required the payment of adequate wage rates for a *full* working week *every* week of the year. As the Fabians had recognised prior to 1914,¹¹⁰ wages needed to be accompanied by other devices in order to adjust for the differences in family size. In short, a minimum wage strategy could only be effective in combating poverty amongst the working poor if accompanied by full employment and family allowance policies. Substituting family allowances for the provision of 'phantom' children, though offending

trade unionists' committed to the 'breadwinner' wages principle, arguably offered the increased prospect of a national minimum wage policy by making it more affordable.

However, the unpopularity of family allowances within the TUC prevented them from appreciating the wisdom of this three-pronged strategy to ensure working class households a 'living income'. Indeed, trade unionists feared that the introduction of family allowances would facilitate wage reductions, or at least constrain their upward revision. Ernest Bevin spoke of family allowances in terms of the unions being 'generally opposed to cutting up wages'.¹¹¹ Rhys Davies, trade unionist and Labour MP wrote that 'Family Allowances, as a system, is a confession that industry cannot afford to pay a decent wage to the workmen. It is also a confession that trade unionism, is played out.'¹¹² Trade unionists' darkest suspicions of family allowances were confirmed in the Report of Herbert Samuel's Royal Commission on the Coal Industry in March 1926.

William Beveridge was the most influential member of Samuel's Coal Commission. 'Beveridge saw family allowances as a means of facilitating wage-cuts he believed were essential to make the British coal industry competitive on world markets once the government's subsidy ended in April 1926.'¹¹³ Adopting as a wage standard a mid-way point between Rowntree's austere 'physical efficiency' and his less onerous 'human needs' calculations (i.e. 35s.), Eleanor Rathbone suggested before the Commission that a child allowance for the coal industry could be financed entirely by cutting wages by 5s. 10d. per week.¹¹⁴ 'Beveridge won his fellow commissioners over, and their report ... included a recommendation of family allowances as a means of

ensuring that wage-cuts did not result in undue hardship.’¹¹⁵ To say the least, this proposal was not welcome to the Miners’ Federation, fighting the coal owners on the slogan ‘Not a penny off the pay: not a second on the day’. The effect of this recommendation on the popularity of family allowances amongst the TUC was illustrated in 1930, when Congress defied a majority recommendation by the Labour Party/TUC Joint Committee on the Living Wage and rejected the policy.¹¹⁶

The ILP could point to the fact that its proposal for non-contributory family allowances was distinct in that it represented a redistribution of income from the salaried and landed classes, via direct taxation to the working classes.¹¹⁷ Nevertheless, the TUC and the Labour Party hierarchies clearly accepted conventional orthodox notions regarding the strict ceiling on the amount of taxation and public expenditure considered viable. Commenting on the £125 million annual cost of the ILP’s family allowance scheme, Walter Milne-Bailey protested that ‘No attempt is made to show that it is feasible to raise this sum in additional direct taxation.’¹¹⁸

In reality, this carping was a reflection of the Labour movement’s preference for public money to be spent on collectively provided social services rather than handouts to individuals which could be deemed an interference in the wage system. At a hearing of Frank Wise’s evidence before the Labour Party/TUC Living Wage Committee, Ellen Wilkinson appeared to express little faith in the competence of housewives’ budgeting skills. She urged that ‘you might get higher social value if that amount of money [i.e. the £125 m] is spent on social services than if it is spent in dribblets, where there is no means of keeping control of it.’¹¹⁹

The only hope of the ILP's Living Wage policies being adopted as a government sponsored programme was if the labour movement could be persuaded to adopt them. Hence the unpopularity of the ILP's proposal for family allowances was a blow to this strategy. The unopposed passage of Brailsford's 'Socialist Construction' resolution at the October 1926 Labour Party conference¹²⁰ led to the establishment of the Labour Party/TUC joint Living Wage Committee to investigate the practicability of the scheme. However, twelve months later, Frank Wise had good reason to fulminate against the dilatory progress of the Committee. 'It took nine months to get a Committee together. It was not until July, three weeks before the holiday season started, that the Committee actually met, and when it did meet it proceeded to appoint its Chairman and Secretary, and apparently exhausted by its labours, it retired for three months further rest.'¹²¹

This heel dragging betrayed the hostile attitudes held by the leaderships of both the political and industrial wings of the labour movement towards the ILP scheme. MacDonald had contempt for 'flashy futilities' which jeopardised Labour's chances of appealing to moderate opinion.¹²² At a meeting of the TUC General Council on 22 March 1927,

Bevin said wage policies must spring from the Unions themselves.

... I am against bringing the Political Labour Party into this. If we once get this wage problem into the hands of our own politicians and have the Tory Party dealing with it, when they are in office, wages will be the subject of political conflict. I prefer to keep quite clear of the political movement ... the problem must be dealt with by the Unions themselves.¹²³

Rebuffing ILP overtures to endorse their campaign, Bevin asserted to Fenner Brockway, 'You will discover that you cannot handle wages by attaching them to the tail of a particular slogan.'¹²⁴ Faced with the abundance of such attitudes amongst the trade unions, the ILP's attempt to win over the Living Wage Committee was handicapped from the outset. A National Union of Railwaymen delegate at the 1927 Labour Party conference 'did not think that the policy of the Living wage was any use'.¹²⁵ Purist socialists within the labour movement felt that:

The Living Wage is a completely false presentation of the socialist objective. It obscures the real issue of the conquest of production, and places in the forefront an illusory issue of a change in the national distribution of wealth while Capitalist production continues. It places the socialist objective of the abolition of wage subjection by an 'ideal' ... of a higher wage.¹²⁶

Therein lay the ILP's predicament. Squeezed between the 'rock' of cautious Labourites who were sceptical of the practicability of pro-active radical initiatives and the doctrinaire socialist 'hard place' where all change short of a complete transformation to 'socialism' was dismissed as futile, the 'third way' constituency prepared to sponsor radical reformism was narrow indeed.

In order to 'steer the party away from *Socialism in Our Time*',¹²⁷ the Labour leadership rushed out *Labour and the Nation* in 1927; a deliberately vague reaffirmation of gradualist strategy drafted by R.H. Tawney. During the run up to the 1929 general election the Labour leadership had thus ensured that the party was absorbed in consideration of its new policy document, whilst scrutiny of the ILP's policies was held up in the back-room Living Wage

Committee. The ILP's ambition that Labour adopt its programme in time for the forthcoming election was thus frustrated. *Labour and the Nation's* adherence to the living wage concept was couched in conventional labour movement terms. State supplementation of trade union action was to be strictly confined within the perspective of existing wage regulatory apparatus, namely trade boards, agricultural wages committees and the fair wages resolution.¹²⁸ This stance accorded with the limited extent of Labour's manifesto commitments regarding the wages question between 1918 and 1924, and likewise governed the tone of such commitments in the 1929 manifesto.¹²⁹ This cautious stance was confirmation that the moderates had tightened their grip over the labour movement after the General Strike. From 1926 Walter Citrine and Ernest Bevin's dominance over the TUC complemented the entrenched orthodox Labour party leadership of MacDonald and Snowden.

Against this background, it is hardly surprising that the Labour Party/TUC joint Living Wage Committee was incredulous at several of the assumptions behind the ILP's policy. For example, regarding the question of the definition of the living wage, Milne-Bailey censured:

Nowhere is there any appreciation of the fact that this is a psychological ideal which not only differs from time to time, but from country to country, and even from one grade of labour to another in the same country at the same time. What the workers want, and rightly so, is not some figure called a 'living wage' but the greatest income it is possible to get by any means. If by some means they could all get next year what they would vaguely call at the present moment a 'living wage', next year's conception of a living

wage would be beyond that again. This is as it should be, for it is a universal feature of human psychology to want more than has yet been obtained. The agricultural worker's 'living wage ideal' at present would probably be scorned – as an ideal – by the skilled printer or engine-driver.

In concentrating upon a definite conception of a living wage there is a great danger of treating the position as being 'static', whereas we ought to have in mind the 'dynamic' conception of a constantly rising standard of living.¹³⁰

This was a perfect encapsulation of the living wage concept as outlined by J.A. Hobson in 1896.¹³¹ The labour movement shared a genuine fear that any attempt to impose a figure on the living wage necessarily undermined its aspirational value.

In tacit acknowledgement of these sensibilities, the ILP's Living Wage Report was noticeably ambivalent regarding the proposed level of the living wage, apparently the centrepiece of its programme. Despite conceding the pressing need 'to define what we mean by a Living Wage', the report side-stepped the issue by proposing a 'Labour Commission to formulate in precise terms and figures the vague claim which is in all our minds.'¹³² The ILP identified two main criteria for the determination of the living wage. Firstly, the level of expenditure necessary to meet the basic 'physical efficiency' needs of a man and his wife. Secondly, careful analysis of the level of national income and the proportion of such enjoyed by the wage-earning classes was to be undertaken, with a view to finding a means of doubling the earnings of

approximately ten million lower-skilled workers who earned around £100 per annum.

The ILP attempted to acknowledge the 'dynamic' concept of the living wage and obviate the danger of stereotyping living standards at a fixed level by urging that 'the figure should be estimated deliberately somewhat higher than our present level of industrial efficiency would warrant.'¹³³ However, this entrenched the perception within the TUC/Labour Party Living Wage Committee that the ILP's scheme was pie-in-the-sky. As a clearly incredulous Walter Citrine pressed Frank Wise, 'I do not see how it [the living wage] can be morally binding if you tell people in advance that it cannot be paid. ... You are saying in advance that this is something higher than industry will bear.'¹³⁴ Indeed, the ILP's imprecise definition of the living wage added fuel to the suspicion that its eponymous campaign was a deliberate misnomer for a socialist programme of reorganisation. At the 1926 Labour Party conference, MacDonald reminded delegates of the 'myth' aspect of the first draft of Brailsford's 'socialist construction' (living wage) resolution that bore no relation to Hobson's notions of underconsumption.¹³⁵ In addition, E.F. Wise did little to persuade his sceptical audience on the Living Wage Committee that the ILP's programme should be taken seriously when he appeared 'not clear as to the difference' between the basic concepts of wages and incomes.¹³⁶

In fact, whilst the Living Wage Committee were deeply sceptical of policies contained within the ILP programme,¹³⁷ fundamentally they shared a bitter resentment at the hypotheses underlying the proposals. The ILP Living Wage Commission report outraged the TUC by its provocative assertion that:

If the rule that wages are the concern of the Trade Unions exclusively ... is rigidly followed, it is difficult to feel confident that any general improvement in the level of wages can be secured. It is still more difficult to look forward to the removal of the gross inequalities which obtain at present in the wages of various trades. The trade cycle is a perpetual handicap to any continuous effort to raise wages by combination. What seems to be won in the boom is lost in the slump, and gains and losses alike are often illusory, since the struggle rages around money figures, which have no constant value. Trade Unions can rarely hope for success, if it comes to struggle, save for a brief period in each cycle, and during the years of slump they must expect to see their membership and their funds depleted. But only by political action (for example through the control of credit and the stabilisation of prices) can one hope to lessen or abolish the oscillations of the trade cycle.¹³⁸

Essentially, this assertion represented merely an uncomfortable home truth to trade unionists. Understandably, however, Walter Citrine reacted furiously to this challenge both to the wisdom of the TUC's political strategy and its very self-esteem: 'my complaint is that in issuing this policy you are either consciously or unconsciously discrediting Trade Unionism.' 'If you tell people in plain English that what they gain in the boom they will lose in the slump, it cannot be argued that Trade Unionism is effective.'¹³⁹

Having challenged TUC doctrine that wages questions were their exclusive preserve, the ILP's insistence that it did *not* seek 'to enforce by legislation a universal statutory minimum' appeared a spectacular *non sequitur*

to the Living Wage Committee and a vindication of trade unionism by default.¹⁴⁰ A resolution passed in the Commons enshrining the living wage figure as determined by the proposed commission would bind public-contracted work only, rather like the existing Fair Wages Resolution.¹⁴¹ Whilst the ILP witnesses before the Living Wage Committee could point to this policy as proof of their commitment to trade union methods of wage bargaining, the mood of the Committee was reflected in Milne-Bailey's cynicism and grasping of a major inconsistency in the ILP's argument:

Instead of adopting the obvious 'political' step of planning the enactment of legal minimum wage rates, the proposals definitely reject this ... leaving it to the Unions to secure this level by industrial action. But if the political action is necessary because industrial pressure is 'apt to be weakest where it is most needed', why leave it to this 'unequal' force to secure the living wage? If political action is powerful enough and rapid enough to secure all the conditions for enabling industry to pay a living wage, why not fix such a wage at the same time, by law? The I.L.P. suggestion is merely a sop to the Unions to cover up the belief obviously held that in the reorganisation of the economic system and the securing of a living wage, the Trade Union movement is practically powerless.¹⁴²

Herbert Morrison feared that raising municipal employees' wages in lieu of any rise in general wage rates would be unpopular and exacerbate existing wage inequalities. He cited the case of Bermondsey Metropolitan Borough Council, which was forced to abandon its £4 weekly minimum wage policy for

its own workers: 'The rates rose as a result of the action, and these had to be paid for by people getting only £2 a week.'¹⁴³

The Living Wage Committee concluded that 'such of the proposals as are in any way peculiar to the I.L.P. and might be on an 'immediate' programme are at best useless and at the worst dangerous, while those which are not an immediate possibility would require for their attainment so much power that we could as easily get full socialism.'¹⁴⁴

Pressed by the Living Wage Committee on 14 December 1927 to prioritise ILP policies into a provisional order of implementation, Wise and Hobson both identified family allowances as the immediate means of setting in operation forces which would enable the living wage to be realised.¹⁴⁵ Accordingly, after quizzing Wise solely on family allowances, the Committee decided to concentrate exclusively on this question. No doubt the leadership of both the Labour Party and the TUC were delighted that the Living Wage Committee had dropped consideration of the wider issues relating to the ILP programme. Nevertheless, given that the ILP witnesses themselves indicated that family allowances were to kick-start the living wage campaign, it made sense for the labour movement to formulate its policy on this controversial issue.¹⁴⁶

The rejection of a policy of family allowances by both the TUC and the Labour Party in 1930 effectively killed off the Living Wage campaign within the labour movement, for by then this issue had become the totemic face of the wider programme. This was in spite of official assurances to the contrary. At the 1930 Labour Party conference, Arthur Henderson promised Maxton that the Living Wage Committee would continue its work regardless,¹⁴⁷ but in

reality the Committee was mothballed. Besides, pressure on the Labour Party to adopt ILP policies naturally evaporated following the latter's disaffiliation in 1932.

The doomed ILP Living Wage policy of *Socialism in Our Time* was intended to provide unity and a renewed sense of purpose to the labour movement. In view of the determined hostility of the labour movement's hierarchy, this was a forlorn hope. However, *Socialism in Our Time* failed even to unify and revive the fortunes of the ILP itself. The party's National Administrative Council (NAC)'s report for 1928-29 admitted the 'unprecedented difficulty' the ILP faced, with a serious loss of members and branches, acknowledging the *Socialism in Our Time* policies as a factor.¹⁴⁸ R.E. Dowse emphasised that large sections of the ILP misunderstood or were only mildly supportive of the Living Wage programme.¹⁴⁹ This produced inconsistencies in the party's promotion of its own policies and facilitated the diversion of the ILP's energies into distractions from *Socialism in Our Time*. In particular, ILP branches focussed primarily on the six-month mining dispute just one month after the April 1926 conference endorsed the Living Wage programme.¹⁵⁰

The ILP's work with the Miners' Federation was to produce another blow to its Living wage campaign, in the shape of the Cook-Maxton Manifesto of June 1928.¹⁵¹ This CPGB-inspired document, leading to the authors' *Our Case for a Socialist Revival* policy document four months later, with its calls for confiscation of wealth and republicanism, jarred with the ILP's philosophy of reformism. Maxton's undisciplined ego-driven indulgence placed his party

in the ludicrous position of appearing before the electorate as committed to two sets of contradictory policies.¹⁵²

In addition to left-wing critiques of the Living Wage strategy¹⁵³ the policy was opposed by moderate figures within the ILP such as P.J. Dollan, chairman of the Scottish Divisional Council. He believed that a universal statutory minimum wage policy offered greater immediate hope to 'the 11½ millions who were not organised.'¹⁵⁴ Dollan persuaded the 1928 ILP Conference to endorse this policy together with a five shillings weekly family allowance paid in respect of each dependent child of a wage earner.¹⁵⁵ However, in 1929 the ILP Conference overturned this decision and endorsed a new interpretation of the Living Wage policy drafted by an internal committee charged with the duty of reconciling the Dollan policy with that endorsed in 1926.

Echoing the conclusions of the 1922 TUC Report, the ILP rejected a universal legal minimum wage policy out^d _A considerations of practicability of application and anxiety that trade union interests would be better served if they were left to secure the living wage for themselves.¹⁵⁶ Instead, the ILP came down in favour of an industry by industry approach. Trade Boards were to be 'set up as rapidly as possible to cover those trades and industries which are not already covered by an Industrial Council or Trade Board or other permanent formal joint machinery now existing for negotiation and conciliation.'¹⁵⁷ In this context, the ILP's Living Wage strategy to achieve *Socialism in Our Time* by April 1929 boiled down, in practical policy terms, to little more than 'Whitleyism in our time', coupled with a policy of family allowances.¹⁵⁸

‘Tamed’ or otherwise, the ILP’s Living Wage agenda was steadfastly ignored by the 1929-31 minority Labour government. Apart from increasing the number of trade boards and agricultural wages committee inspectors and attempting to extend trade boards to the catering industry, the second MacDonald government refrained from direct intervention in the wages question. Margaret Bondfield, the Minister of Labour and arguably the most senior female trade unionist during the 1920s, stressed that, ‘on the matter of legislation on minimum wages, the Government will undoubtedly have to proceed after the closest consultation with the official bodies which make up the Trade Union Congress’.¹⁵⁹

Maxton enjoyed one last chance to promote ‘Socialism in Our Time’ via his Living Wage Bill on 6 February 1931. But as Milne-Bailey explained, ‘The Labour Government and the majority of the Labour Party are opposed to the principle of this Bill, which is, I may say, of a purely propagandist character. It is true that the Bill received a second reading, but there is not the slightest possibility of its passing into law. I think the second reading was passed merely as a gesture of Labour members in favour of the living wage idea, but the provisions of the Bill are generally thought to be quite impracticable.’¹⁶⁰

By the time of Maxton’s Bill, Oswald Mosley was preparing to launch a rival campaign in support of unorthodox policies intended to cure the British economy of unemployment. Mosley’s ‘Memorandum’ stole the ILP’s thunder. The economic strategy championed by this flashy young ‘aristocrat in a hurry’ was outwardly similar to *Socialism in Our Time* stripped of its living wage tag, apart from Mosley’s fondness for protective tariffs. Nevertheless, whilst

Mosley's campaign eclipsed the ILP's own flagging crusade, it cut as little ice amongst the Labour leadership as *Socialism in Our Time* had done. If anything, the failure of Mosley to 'capture' the Labour Party in October 1930 reinforced Snowden's neo-classical response to the mounting economic crisis.¹⁶¹ Mosley was widely-distrusted by his fellow politicians and his rapid conversion to fascism served to confirm in the minds of established political leaders their doubts about his political judgement.

Mavericks within the Conservative Party who dared to challenge the prevailing orthodox economic policy assumptions faced a similar credibility problem amongst their peers as Mosley and Maxton had done with the Labour Party leadership. Inspired, as Hobson had been, by the high production, high wages and high consumption characteristics of the American economy and convinced of the need for a more pro-active expansionist industrial policy on the part of the British government, four young Tory MPs published *Industry & the State. A Conservative view* in April 1927.¹⁶² Impressed by the representative nature of trade boards and the role of appointed members in the system, they advocated statutory wages boards for every important industry.¹⁶³

Conservative reactions, however, were violent, and the authors were denounced as 'cranks and theorists [who] must be disposed of'.

Under the heading 'Socialists in Conservative Disguise', the *Daily Mail* railed against their 'half-baked sentimentalism' and 'crude and hasty theories characteristic of modern Socialism' ... The *Sunday Pictorial* thundered that 'the suspicion long entertained by many of us that the Conservative Party is honey-combed with Socialism has

been proved up to the hilt. The Party must be purged of its woolly-minded semi-Socialists. These Kerenskys will, unless they are hauled up, only prepare the way for Lenin.¹⁶⁴

Stanley Baldwin detested 'extremism', which he 'equated with any bold experiment by the State in economic or social affairs.'¹⁶⁵ Thus, throughout the Baldwin-MacDonald era (1923-1937) inertia, espoused by the former as 'safety first', reigned in government.

Amongst the Liberal Party, unorthodox economic policies designed to boost demand in the home market at least enjoyed active sponsorship from the top. When he finally assumed the leadership of the much weakened party in 1926 Lloyd George financed a Liberal Summer School Inquiry into the future of British Industry. Devised by the Cambridge economists J.M. Keynes and Hubert Henderson, *Britain's Industrial Future* shared with *Industry & the State* the notion that the legitimate grievances of workers, such as their subservient status in the workplace and inadequate pay, should be addressed as a precondition for industrial revival. Accordingly, the Inquiry felt that 'a *minimum* below which no worker should fall' should provide a key element of a 'just' wage system.¹⁶⁶ Rejecting a universal national minimum wage as impracticable, it recommended that 'the Trade Board system should be extended to all industries insufficiently organised to be able to make and keep general agreements'.¹⁶⁷ Additionally, legal enforcement powers were to be granted to the Joint Industrial Councils.

Nevertheless, although Lloyd George fought the 1929 election on the basis of these 'Yellow book' underconsumptionist remedies for unemployment, key sections of his party were left cold by this agenda. The

Liberal Party of the inter-war years embraced as disparate a collection of views as it had in the pre-1914 period. Prominent Asquithians had not forgiven Lloyd George for his role in the breach of 1916 which had so handicapped the party, and had little time for any cause he espoused. Furthermore, the new ideas of Keynes, like those of Hobson before him, suffered from widespread scepticism by reason of their very iconoclastic character. Hence, whether the Liberal Party outside Lloyd George's entourage took these bold industrial policies seriously must be open to question. In 1925 a party member complained that four years after the National Liberal Federation had adopted a comprehensive industrial policy, embracing a national industrial council on the lines of the 1919 proposal with powers to fix minimum wages and maximum hours, the leadership had yet to promote it!¹⁶⁸

The Liberal Industrial Inquiry's aping of the National Industrial Conference Report's advocacy of legalising voluntary agreements is noteworthy as it coincided with a thawing of the TUC's hostility to the principle. Trade unionists had feared that legal sanctions on employers to pay a certain rate of wages could be utilised to coerce organised labour to abide by rates it no longer considered just and even to constrain the right to strike. Additionally, trade unionists harboured a psychological resistance to granting non-unionists the benefits attained by collective action. Nevertheless, with the security of a Labour government in office, the TUC General Council agreed with the Association of Joint Industrial Councils in 1929-30 a draft Bill for the 'Enforcement of agreed minimum rates'.¹⁶⁹

No measure providing for the general legalisation of voluntary agreements was likely in the 1930s. However, the imminent breakdown of

collective bargaining in the symbolically important but depressed cotton weaving industry together with the united lobbying of the organised employers and trade unions concerned induced the government to pass the Cotton Manufacturing Industry (Temporary Provisions) Act in 1934.¹⁷⁰

In spite of the above measure, the 1930s proved another barren decade for major government initiatives in the field of wage regulation. Unsurprisingly, the chief domestic challenge for politicians of the time was unemployment. Given that classical economic theory held that unemployment was caused by labour offering itself at too high a price, the last thing orthodox-minded British governments could countenance was a further significant incursion into the minimum wage field. Any policy that could prevent employers from cutting their costs and becoming more competitive was thus ruled out of order. Predictably, the enveloping economic crisis of 1931 heralded a vigorous campaign for wage cuts by the NCEO. Even organisations otherwise sympathetic to the notion of a minimum floor to wages evidently felt that it would be wrong to 'risk' a bold legal minimum wage policy at a time of already high unemployment. Labour Party conferences and TUC Congresses were silent on the issue during the 1930s.

The 'economy of high wages' argument, whereby higher wages served, over time, to reduce firms' costs via greater efficiency, would have left most observers cold at this time, when many businesses appeared on the brink of ruin. Although an expanded wages board policy on an industry by industry basis could be supported, there was no serious pressure applied for a statutory minimum wage. The manifestos of the three main parties failed to mention the issue in 1931 and 1935. At a time when those in work, however poorly paid,

could be considered luckier than their jobless neighbours, there was far less concern by policy makers for the plight of the 'in-work poor'. 'In these days of very severe unemployment, it is perhaps too hastily-assumed that those who are fortunate enough to have employment are necessarily beyond the reach of want.'¹⁷¹ This was still the case as the worst of the unemployment eased later in the 1930s, causing G.D.H. Cole to protest: 'We have heard too much of late about the 'hard core' of unemployment. Let us not forget that employment too has its 'hard core' of suffering, in these days often as intense ... as the suffering of the unemployed in the depressed areas, and as deserving of a speedy remedy.'¹⁷²

The despondency produced by the world-wide 'Great Depression' may have served to radicalise some, but a greater number would have recoiled from untried policies which risked aggravating a bad situation further. Besides, it would be a mistake to treat the period before the 1936 publication of Keynes' *General Theory*, the high point of the intellectual challenge to classical economic dogma, as one in which 'Keynesianism' existed. His views evolved only slowly from underconsumptionist-influenced instincts.¹⁷³ Government policies of deflation, retrenchment and minimal intervention in the workings of the labour market, albeit coupled with novel policies of protection and low interest rates from 1932, were thus the order of the day.

On the question of poverty, the picture was at least not uniformly depressing: 'A problem of severe poverty, and a stratum of the very poor, could ... certainly still be discovered in the inter-war years. Yet it is manifest that the problem had shrunk ... there had been a contraction of the great body of low-paid, unskilled labour, continually struggling for survival even in the

best of times'.¹⁷⁴ However, because of higher living standards generally, and the growth of decent housing and affordable household goods available, the problem of 'relative' poverty was as statistically significant as 'absolute' poverty, the lack of sufficient income to provide for bare physical efficiency, had been at the turn of the century. 'What had previously been a struggle for existence had now become a struggle for something less easy to quantify, but still to be highly prized: a semblance of decency and respectability.'¹⁷⁵

Conversely, advances in nutritional science in the 1930s¹⁷⁶ indicated that the war against primary poverty was far from won. Naturally, this had important implications for the minimum wage debate. Sounding the death-knell to alarmist turn of the century eugenic-influenced concern at a 'progressive deterioration of the English race', it was now understood that a balanced diet, rich in vitamins and minerals could enhance physique, mental functioning, immunity to illness and life-expectancy. 'The political implications were obvious: if nutrition was the most important factor in public health, then it followed that the best weapon in public health was to ensure proper feeding – from which stemmed the further ominous implication that this could only be achieved if low income groups ... had enough money with which to buy the necessary food.'¹⁷⁷ However, as John MacNicol has demonstrated, the Ministry of Health, fearful of authoring a definitive minimum needs cash figure, resisted monetary based poverty lines and refuted evidence that demonstrated that poverty was the cause of malnutrition in the UK.¹⁷⁸

Influenced by these developments, lone voices were heard in support of a comprehensive minimum wage policy during the 1930s. For instance, in

recognition of the fact that a majority of wage earners were covered by neither trade union nor wages board protection, a Brighton-based businessman, Alfred Morris, conceived his 'Notification of Poverty' Bill.¹⁷⁹ Although the Bill stipulated that local authorities must devise a 'living' wage figure based on subsistence requirements, something which central government ^{had} yet to attempt, it was a 'moral force' minimum wage proposal. Employers were to be compelled only to *notify* their local government agency if they paid rates below the set figure. As such, the proposal satisfied neither enthusiasts nor opponents of the statutory minimum wage principle. Milne-Bailey's assertion that 'it is very difficult to take this rather theatrical device very seriously',¹⁸⁰ was typical. In the Commons the Bill was derided as a 'bad joke'.¹⁸¹ Similarly, its re-launch in the Lords faltered against an unlikely consensus amongst their Lordships that the trade unions' conception of the most appropriate remedy for low wages, namely voluntary organisation supplanted by trade boards in exceptional cases, was the most desirable.¹⁸² Of course, this stance justified the *status quo* of minimal government interference in the wage system!

As with the ILP's Living Wage campaign, Walter Citrine was irritated at the assumptions underlying Morris' Bill:

In your letter and in the Bill you again refer to unorganisable labour. May I point out once more that we cannot regard any labour as unorganisable. Organisation is more difficult in some sections than it is in others, but experience has shown that progress can be made even in the most difficult areas. A strong Trade Union Movement is, in our view, the surest method of improving wages and working conditions.¹⁸³

Morris replied that he realised that

Trade Unions for every occupation are desirable, but are we to go on year after year allowing thousands of our workers to live in miserable conditions while public opinion or circumstances bring about the desired organisation of occupations which appear to be at present unorganisable?¹⁸⁴

However, Morris' plea fell upon deaf ears and the TUC leader once again rebuffed him.

Government similarly ignored Seebohm Rowntree's views. In the light of advances achieved in nutritional science since 1918, Rowntree re-wrote his *Human Needs of Labour* in 1937. He now drew 'a clear distinction between *minimum* wages and wages above the minimum. The former should be determined primarily by human needs, the latter by the market value of the services rendered.'¹⁸⁵ Assessing those needs on the basis of an adult wage earner supporting a wife and three children he arrived at a weekly minimum wage figure of 53 shillings for urban and 41 shillings for rural workers.¹⁸⁶ As was customary throughout this period, the minimum wage for women was fixed at a lower level, 30s. 9d., justified on account of the fact that almost 88 per cent. of working women supported no dependants.¹⁸⁷

Rowntree concluded that 'Trade Boards should be set up for all industries where adequate minimum wages are not already being paid, and instructed by statute to fix at the earliest possible date' rates according to his calculation of minimum human needs. Conceding the need for industry to be given time in which to adapt itself to this requirement Rowntree nevertheless insisted that 'a definite limit must be set to the breathing space.' 'I allow a

maximum period of five years before the payment of the minimum wages, which I suggest, should be made obligatory in all trades.'¹⁸⁸

Harold Macmillan incorporated Rowntree's recommendations into his plea for a reconstructed managed economy providing all with a minimum wage.¹⁸⁹ Echoing the ILP's Living Wage proposals of a decade earlier, Macmillan argued that an Industrial Reorganisation Enabling Bill be introduced in conjunction with the Minimum Wage Bill, which would give industry five years to meet the new standard.¹⁹⁰ Macmillan certainly was 'a minor eccentric in terms of Tory politics. In the 1930s there were many Conservative rebels who wanted to move the party to the right; Macmillan was among a handful who wanted to move it to the left.'¹⁹¹ Regarded by his own side as a 'boring crank',¹⁹² Macmillan had no chance of influence over Chamberlain's Tory Party.

Enjoying more influence amongst his own party was G.D.H. Cole. In 1938 he wrote a plea for 'the extension of the guaranteed minimum wage to those occupations which are at present protected neither by Trade Boards nor, in effect, by Trade Union bargaining.'¹⁹³ He was motivated by evidence from the Unemployment Insurance Statutory Committee, which revealed that in about nine per cent. of cases, benefits paid to adult men were either greater than or, more typically, just a few shillings lower than their previous weekly earnings.¹⁹⁴ Acknowledging the success of trade boards, and indeed, urging their extension to the retail and distributive trades, Cole nevertheless argued that they could not hope to protect low paid workers in widely-scattered trades, service-sector jobs, or miscellaneous factory work on lower skilled processes which belied 'trade' definition.

Accordingly, he recommended the establishment of a General Minimum Wage Commission. Cole proposed that the authority of this Commission would 'extend to all insured workers not already in receipt of a legal minimum wage fixed either by a Trade Board or under the Agricultural Wages Act of 1924.'¹⁹⁵ Cole acknowledged trade union sensitivities regarding interference with their collective bargaining arrangements but insisted that, even in apparently strongly organised sectors such as lighter engineering and kindred trades, 'the less skilled workers undoubtedly need in many cases the protection of a legal minimum wage'.¹⁹⁶

Cole believed that because 'these bottom dogs of industry are those who can least afford to organise and are most difficult for the trade union to reach' a new Minimum Wage Act should fix weekly minimum figures of fifty and thirty shillings for adult men and women respectively. He would allow industry two years to meet this standard.¹⁹⁷ However, the TUC felt that it 'would be desirable to divorce consideration of the actual figures to be fixed from the political atmosphere of Parliament and to use the sort of Commission suggested by Cole.'¹⁹⁸

The TUC had little reason to worry. Ernest Bevin had by then played a decisive role, with Hugh Dalton, in devising *Labour's Immediate Programme* in 1937. Serving as a pointer to the actions of the Attlee government they were both to serve in, it proposed widespread nationalisation, higher pensions and extended state social services. But the programme's wages policy conceded to Bevin's philosophy that it was not the business of government to intervene directly: 'On wages generally, a Labour Government would co-operate with

the Trade Unions in raising standards and with the I.L.O. in improving world conditions.¹⁹⁹

By the late 1930s, the political climate was less hostile to the principle of minimum wages. Indeed, by the Road Haulage Wages Act and the Holidays with Pay Act, both passed during 1938, the government indicated that wages board machinery was back in favour. This can be attributed to two factors: the less pessimistic economic outlook at home and noteworthy minimum wage initiatives abroad. By the mid 1930s, much of the British economy had recovered from the slump, helped by the boom in house-building, household consumer durables (electrical engineering) and motor car production. The modest rearmament programme facilitated an equally modest revival even in the depressed black spots of the UK.

Abroad, a Labour government in New Zealand legislated in 1936 for its 'Arbitration Court to fix basic rates of wages at a level sufficient to enable adult male workers to maintain a wife and three children in a fair and reasonable standard of comfort.'²⁰⁰ Although British trade unions could not have tolerated such a means for regulating wages, the initiative at least demonstrated that a universal minimum wage was possible. Furthermore, the USA's Federal Fair Labor Standards Act of 1937 demonstrated that a uniform national minimum wage was possible in a populous country exposed to the full rigour of market capitalism.²⁰¹

However, the prospects of any comparable radical extension of minimum wage coverage in Britain were as remote as ever in 1939. Besides, by the very late 1930s, the focus of British politics turned towards the ominous international situation. As reminiscent of the eclipse of the Liberal

government's likely endorsement of nation-wide wages board machinery in 1914, the outbreak of war in 1939 killed off any chances of a nascent national minimum wage campaign. However, as with experience during the Great War, an unprecedented level of state regulation of wages was to be a feature of the wartime labour market.

In conclusion, it must be recognised that at no point during the inter-war period was there any serious pressure for a national minimum wage, as we understand the term today. The government's brief commitment to the National Industrial Conference in 1919 represented the only plausible prospect of universal minimum wage coverage. The one lasting effect of the NIC was the rapid expansion of the trade boards system in 1919-1920. It is ironic that this policy formed Robert Horne's strategy for deflecting pressure for a minimum wage for all given that some form of comprehensive wages board machinery was envisaged by the NIC to realise this aim.

In an era when too many people felt that the state should *not* interfere with free market wage determination, wages boards were the only policy option open to adherents of statutory minimum wages. A consensus tolerating this 'lowest common denominator' minimum wage policy embraced trade unionists concerned to preserve collective bargaining methods from outside interference; employers keen to avoid further erosions of their managerial prerogatives; and governments anxious not to shoulder further responsibility for industry during difficult economic circumstances alike.

By contrast, any universal application of minimum wages risked alienating the TUC in particular and inducing its claustrophobia where state

encroachment on its turf was concerned. Whilst there were sporadic calls within the labour movement for a more comprehensive minimum wage policy, it never demanded a national minimum wage during the inter-war period. The Labour Party produced no policy, other than trade board expansion, to meet the wages aspect of *Labour and the New Social Order*'s call for the universal establishment of the national minimum. Most minimum wage for all policies, advocated during the inter-war years, failed to progress to the point where government or employer opposition had to be overcome precisely because they had 'fallen at the first hurdle', namely the need to win the labour movement's, and especially the TUC's, support.

Even Sidney and Beatrice Webb had come to regard the trade boards as a useful policy expedient, which offered a practical means of working towards a national minimum wage in the longer term, and did not actively promote their pre-war national minimum wage agenda during the 1920s and 1930s. Of course, by the 1918 Trade Boards Act, the boards had made the 'quantum leap' from an 'exceptional' policy to be risked only for sweated trades to a 'normal' remedy applied to any trade where levels of organisation *or* prevailing rates of pay were low, but not necessarily 'abnormally' so. Thus, with a flexible interpretation of this new criteria for extending the trade boards system, a policy encompassing their comprehensive application could be perceived as perfectly compatible with a 'minimum wage for all' policy.

As noted with regard to the pre-1914 period, there ^s_^existed a gulf between the rhetoric of politicians paying lip service to the 'living wage' concept and the policies advanced to win such a standard for workers, assuming any were proposed beyond leaving its attainment to voluntary

organisation. Minimum wage for all policy propositions boiled down to an expansion of existing machinery only: voluntary collective bargaining supplemented by strengthened 'fair wages' public contracts, together with joint industrial councils or trade boards to plug the gaps where voluntary apparatus had little immediate prospect of functioning.

Outside the consensus embracing the wages boards compromise, only a very limited constituency favoured a national minimum wage policy. From all points further right along the political spectrum than cautious labour moderates and strong trade unions jealous of their wage bargaining rights, the principle was derided as either, but often both, impracticable or undesirable. Whereas left of the receptive radical reformist element within the labour movement was found 'pure' socialist opinion that wished for the complete abolition of the capitalist wage system, and its replacement by a system granting full worker control over industry.

Finally, it must be questioned whether a national minimum wage policy should have been a priority, even for unorthodox thinkers, during the inter-war period. For the majority who remained unconvinced by underconsumptionist theory, a national minimum wage offered no solution to the problem of inadequate working class household incomes arising from mass unemployment and the even greater problems of short time working and other forms^{of} under-employment. Likewise, for breadwinners supporting large families, the level of any prospective national minimum wage was unlikely to offer any material assistance. Thus the ILP's concentration on non-contributory family allowances and full employment policies arguably betrayed a sounder grasp of

the policies needed to raise working class household incomes than most contemporaries were prepared to concede.

List of references

- ¹ See *The Times*, 13 Nov. 1918. The chief opposition parties, i.e. the Asquithian Liberals and Labour both adhered to the policy, within the broader conception of the 'national minimum'. See F.W.S. Craig, *British general election manifestos 1918-1966* (Chichester, 1970), pp. 6-7.
- ² TUC, *54th Annual Congress Report*, 1922, p. 216.
- ³ *Industrial Conference Report of Provisional Joint Committee presented to meeting of industrial conference ... 4 April 1919*, Cmd. 501 (1920), p. 9 (my emphasis).
- ⁴ Though there was some confusion within the ILP regarding this point, see later, below.
- ⁵ Sheila Blackburn, "A very moderate socialist indeed? R.H. Tawney and minimum wages", *Twentieth Century British History*, 10 (1999), pp. 134 & 129 respectively. From the perspective of 1988, Blackburn refers to the labour movement's demand 'once again' for 'its old fascination with a national minimum wage', in "The problem of riches: from trade boards to a national minimum wage", *Industrial Relations Journal*, 19, p. 125. Perhaps she is referring to the Edwardian campaign for the 30s. minimum, she does not say. To a lesser extent, Rodney Lowe follows the same thesis, see "The failure of consensus in Britain: the National Industrial Conference, 1919-1921", *Historical Journal*, 21 (1978) p. 656.
- ⁶ In "A very moderate socialist indeed", p. 129.
- ⁷ In spirit, a national-level joint industrial [Whitley] council, as Chris Wrigley viewed it, in *Lloyd George and the challenge of labour. The post-war Coalition 1918-1922* (1990) p. 133, in contradiction of Rodney Lowe's argument that government-sponsorship of the NIC was a 'betrayal of Whitleyism', on the grounds that it negated the claim of the JICs to be regarded as the sole authoritative voice of an industry. See "The failure of consensus in Britain", pp. 672-73.
- ⁸ See *The Times*, 12 Oct. 1918.
- ⁹ *112 H.C. Deb. 5 s. cols.* 398-403. A chemicals manufacturer, Cooper was a notable wages board enthusiast on the Conservative benches before the war, though he now sat as a 'National Party' MP for Walsall.
- ¹⁰ Alan Bullock describes Bevin's dismissive attitude towards the NIC in *The life and times of Ernest Bevin, Volume I. Trade union leader 1881-1940* (1960), p. 96.
- ¹¹ The last two quotations are taken from Chris Wrigley, *Lloyd George and the challenge of labour*, pp. 139 & 140 respectively.
- ¹² Somewhat surprisingly, given that the FBI were relatively much better represented at the conference than Smith's EEF. Evidently, Smith's marshalling of non-FBI-aligned employers at the conference formed his nascent 'National Confederation of Employers Organisations'. For the background to the establishment of Smith rival NCEO, see John Turner, "The politics of 'organised business' in the First World War", Ch. 3 in J. Turner, *Businessmen and politics. Studies of business activity in British politics, 1900-1945* (1984), pp. 39-43.
- ¹³ See Chris Wrigley, *Lloyd George and the challenge of labour*, p. 134-35.
- ¹⁴ Nominated by the NIC, the PJC was composed of 30 representatives each of employers and workers, under the leadership of Allan Smith and Arthur Henderson respectively, with G.D.H. Cole acting as Secretary to the workers side, together with the government-appointed chairman, Sir Thomas Munro. For a full list of its membership, consult Roger Charles, *The development of industrial relations in Britain 1911-1939. Studies in the evolution of collective bargaining at national and industry level* (1973), pp. 239-40.
- ¹⁵ See P.B. Johnson's account of the second full NIC meeting (4 Apr.), in *Land fit for heroes. The planning of British reconstruction* (Chicago, 1968), p. 381.
- ¹⁶ A.G.B. Fisher, *Some problems of wages and their regulation in Great Britain since 1918* (1926), p. 59.
- ¹⁷ See Cmd. 501, p. 9.
- ¹⁸ As stated by Dorothy Sells, in *British wages boards. A study in industrial democracy* (Washington D.C., 1939), p. 33.
- ¹⁹ For example, see *Adjusting to democracy. The role of the Ministry of Labour in British politics, 1916-1939* (Oxford, 1986), p. 99, "The erosion of state intervention in Britain, 1917-

1924", *Economic History Review*, 31 (1978) pp. 273-75, "The failure of consensus in Britain", pp. 653 & 656. This is more puzzling given that Lowe also accurately identifies the NIC proposal for industry by industry minimum time rates in his two journal articles (pp. 272 & 275 in "Erosion of state intervention" and p. 656 in "The failure of consensus"). No doubt this contradiction is accounted for by the decision of Whitehall to interpret the NIC's proposal in terms of a national minimum wage.

²⁰ Chris Wrigley, *Lloyd George and the challenge of labour*, p. 137. As the Prime Minister was attending the Paris Peace talks his support was conveyed via a letter read out by Horne.

²¹ See Public Record Office (PRO), CAB 23/10/WC 557, 16 Apr. 1919. However, Horne cautioned that the 'fixing of any general national minimum would, however, be difficult, inasmuch as in certain cases it would be deemed too high and in others to low.'

²² Copy of letter held in PRO, LAB 2/775/IR/324/1922. Interestingly, Rodney Lowe has discovered that Lloyd George's original letter to the PJC went much further and endorsed a 'living', 'family' wage ('Every worker should be ensured a minimum wage which will enable him or her to maintain a becoming standard of life for himself and his family'). However, a neat piece of censorship on the initiative of Horne ensured that the PJC never heard this passage! See "The erosion of state intervention in Britain", p. 274.

²³ Roger Charles provides a detailed summary of the meetings between Horne and the PJC during May and June 1919 in *The development of industrial relations in Britain*, pp. 243-47. Although Charles doesn't mention it, Henderson supported Smith's strategy in refusing to agree to a permanent NIC until the government had fulfilled its side of the bargain. Charles is surely right to hint (on p. 246) at Smith's duplicity on this point, as he was probably happy with the impasse of no permanent NIC and no legislation.

²⁴ Edition of 2 May 1919, cited in Chris Wrigley, *Lloyd George and the challenge of labour*, p. 138.

²⁵ For a summary of the chief points of dispute between Horne and the PJC and the compromises reached, see minutes of the War Cabinet meeting, 4 Jul. 1919, PRO, CAB/23/11/WC 588.

²⁶ *Minimum Rates of Wages Commission Bill, 1919* [Bill 198], *House of Commons Parliamentary Papers, 1919, II*.

²⁷ *The Times*, 21 Aug. 1919.

²⁸ Rodney Lowe, "The failure of consensus in Britain", p. 656. Indeed, many workers, then as today, would have welcomed longer hours if paid at generous overtime rates.

²⁹ Indicative of the dismissive attitude held by the TUC, dominated by the boycotting Triple Alliance unions, towards the NIC. For the debate, see TUC, *52nd Annual Congress Report*, 1920, pp. 263-65. At the previous year's gathering, held just three weeks after the publication of the Wage Commission and Hours Bills, the NIC received but scant mention in the Parliamentary Committee's Report only, see *51st Annual Congress Report*, p. 76.

³⁰ The majority of these questions came from Coalition Liberal MPs, no doubt anxious to bolster the waning aura of progressive reform surrounding the government. See, for example, *129 H.C. 5 s. col. 1891* (2 Jun. 1920). For similar Labour and Asquithian Liberal pressure, see *133 H.C. Deb. 5 s. col. 387* (11 Aug. 1920). Any parliamentary agitation for the minimum wage amongst Tory MPs was strictly within the confines of the trade boards principle, see (for example) *131 H.C. Deb. 5 s. col. 2365* (14 Jul. 1920).

³¹ Typical was Macnamara's reaction to more questions regarding the Minimum Rates of Wages Commission Bill on 1 Dec. 1920: 'I can not give any undertaking that it will be proceeded with this Session. I must point out, however, that the substance of the thing has been arrived at by the development of the trade boards and the system of wages agreements either through the instrumentality of the Joint Industrial Councils or otherwise. It is a matter which is not being allowed to rest.' *135 H.C. Deb 5 s. col. 1230*.

³² See *134 H.C. Deb. 5 s. cols. 834-35* (8 Nov. 1920).

³³ See *138 H.C. Deb. 5 s. col. 326* (17 Feb. 1921).

³⁴ See *Lloyd George and the challenge of labour*, p. 141.

³⁵ See, for example, "The failure of consensus", pp. 661-62.

³⁶ See Roger Charles, *The development of industrial relations in Britain*, p. 251.

³⁷ During the second reading debate of the Industrial Courts Bill, 6 Nov. 1919, *120 H.C. Deb. 5 s. col. 1708*.

³⁸ See Cabinet Committee on Home Affairs meeting minutes, 25 Nov. 1919, PRO, CAB26/2/HAC46.

³⁹ In *Land fit for heroes*, p. 476.

⁴⁰ Christopher Nottingham, "Labour's Road to 1945. The Labour Party and social policy in Great Britain", in A. Knotter, B. Altena & D. Damsma (eds) *Labour, social policy & the welfare state* (Amsterdam, 1997), p. 159.

⁴¹ See Rodney Lowe, "The failure of consensus in Britain", p. 657.

⁴² See Roger Charles, *The development of industrial relations in Britain*, p. 252.

⁴³ See Rodney Lowe, *Adjusting to democracy*, p. 106.

⁴⁴ Chris Wrigley, *Lloyd George and the challenge of labour*, pp. 141-42.

⁴⁵ MP for West Bermondsey and *de-facto* ILP leader in London.

⁴⁶ *161 H.C. Deb 5 s. col.* 630.

⁴⁷ *Ibid.*, cols. 633-36.

⁴⁸ The 1923 TUC passed a resolution registering 'its emphatic protest against the acceptance of the idea that wages and conditions must revert to the pre-war standard, and re-iterates its demand for a progressive and continuous improvement and conditions of labour.' See 55th *Annual Congress Report*, p. 386.

⁴⁹ Segment of resolution passed at 1918 Labour Party conference. Cited in G.D.H. Cole, *A history of the Labour Party from 1914* (1948), p.66.

⁵⁰ See, for example, the speech by F.C. Linfield, *161 H.C. Deb. 5s. cols.* 657-58.

⁵¹ *Ibid.*, col. 633. Less than five months after his resignation, Lloyd George remained *persona non grata* amongst a majority of Conservatives, who had formed a government of the 'second eleven' under Bonar Law in order to be rid of him; the labour movement, whose relations with him had deteriorated throughout his time in office; and the independent Liberal Party, still nursing Asquith's ruptured ego after the events of Dec. 1916. Henderson's observation that Bonar Law had supported the NIC in 1919 (*ibid.*, col. 669) was a more sensible strategy to try to win Conservative support.

⁵² See *ibid.*, col. 671.

⁵³ See *ibid.*, cols. 660-64.

⁵⁴ See Division List no. 28, *ibid.*, cols. 673-76. 176 MPs voted for the motion, 189 against. The breakdown of voting figures is as follows: 125 Labour and ILP (including the leftist Independent MP for Dundee, E. Scrymgeou), 47 Liberal and 4 Conservatives voted for; and 183 Tories, 5 liberals and an Independent against.

⁵⁵ For the debate, see *170 H.C. Deb 5s. cols.* 1295-1341. The Motion was introduced by Joseph Compton, Labour MP for Manchester Gorton.

⁵⁶ For example, the Shirt & Collar Manufacturers Federation responded to the passing of the resolution merely by alerting its executive council members to the fact. See Minutes of the above organisation, EC meeting of 6 May 1924, University of Warwick, Modern Records Centre (MRC), MSS. 222/SC/1/1/4.

⁵⁷ See speech of G.C. Tryon, Minister of Pensions 1922-24, 1924-29, *170 H.C. Deb. 5s. cols.* 1310-11.

⁵⁸ *Ibid.*, cols. 1302-3.

⁵⁹ See *183 H.C. Deb 5s. col.* 1945-70. Of course, the emphatic scale of the defeat is reflective of the swelled contingent of Tory MPs following their landslide election victory in October 1924.

⁶⁰ *Ibid.*, cols. 1951-52.

⁶¹ No doubt Labour MPs were pre-occupied by the General Strike and the prolonged crisis in the coal industry during the 1926 Session. For the 1927 debate (initiated by W.T Kelly, Labour MP for Rochdale), see *203 H.C. Deb. 5s. cols.* 1927-76. It was defeated by 200 votes to 117.

⁶² Though it could be argued that Labour MPs were merely accepting the reality of the government's majority in parliament.

⁶³ See *203 H.C. Deb. 5s. col.* 1966-67.

⁶⁴ See Rodney Lowe, *Adjusting to democracy*, p. 32.

⁶⁵ *203 H.C. Deb. 5s. col.* 1971. Sheila Blackburn should note that Sidney Webb was as guilty of exaggerating the success of the trade boards as Tawney and Mallon! Similarly, Beatrice Webb credited the trade boards with having 'done much to raise the level of earnings, to lessen the excessive hours of labour, and to protect the worker from cheating and oppression throughout nearly the whole range of what used to be known as the sweated trades.' See *My apprenticeship* (1926), pp. 338-39n.

⁶⁶ For instance, during the General strike the TUC General Council warned the Labour Party and the ILP not to stray on to its turf and thereby politicise what it regarded as a purely industrial dispute. See R.E. Dowse, *Left in the centre. The Independent Labour Party 1893-1940* (1966), p. 128.

⁶⁷ C. Nottingham, "Labour's road to 1945. The Labour party and social policy", p. 159.

⁶⁸ Letter from Walter Citrine (TUC General Secretary 1926-46) to Alfred Morris, a Brighton-based businessman, dated 9 Apr. 1935, in TUC Research Dept. file on 'Wages', MRC, MSS. 292/116/1.

⁶⁹ Letter from Citrine to Morris dated 26 Aug. 1935, *ibid.*

⁷⁰ See TUC, *53rd Annual Congress Report*, pp. 287-89. Noteworthy in respect of the resultant report on the question of a single national minimum wage, it seems that G.A. Spencer, MP (MFGB) perceived a minimum wage for all workers in terms of 'Minimum Wage Boards throughout the country', p. 288. This is not surprising, given the model of minimum wage machinery accorded to the miners in 1912.

⁷¹ The full report, endorsed by Congress, is reproduced in TUC, *54th Annual Congress Report*, 1922, pp. 215-16.

⁷² Indeed, it maintained that the provision of good quality public services had a major role to play in affording a decent minimum of civilised life for all.

⁷³ The report doubted that capitalist industry would abandon the principle of 'payment according to the "value" of the work done' in favour of the principle of 'payment according to need'. On the question of family allowances, which could have circumvented this problem, the report was silent. For a more detailed discussion of the labour movement's hostility towards family allowances than will be provided later in this chapter, see John MacNicol, *The movement for family allowances, 1918-1945: a study in social policy development*, pp. 141-49.

⁷⁴ TUC Joint Information & Research Dept., 'Memorandum on a Minimum Wage.

Confidential Additional Note', MRC, MSS. 292/116/1.

⁷⁵ Again, affecting a class of worker well represented amongst the TUC. A Transport & General Workers Union delegate made the 'standard' wage point at the 1926 Congress, see *58th Annual Congress Report*, p. 478.

⁷⁶ S. & B. Webb, *Industrial democracy* (2nd edn., 1902), pp. 774-75.

⁷⁷ See TUC 'Note on Clerical & Administrative Workers Union Resolution – Minimum Wages' (26 May 1948), MRC, MSS. 292/116/1. In the event, the Musicians Union proposed the minimum wage motion at the 1948 Congress. For the debate on and defeat of which, see *80th Annual Congress Report*, pp. 506-10.

⁷⁸ *61st Annual Congress Report*, 1929, pp. 450-51. The government shared with the TUC a reluctance to calculate a subsistence level of household income for fear that it would then have to take responsibility for families falling below the resultant figure. Last re-weighted in 1905, the Ministry of Labour's cost of living index accorded too high a proportion to food prices, which fell at a faster rate than the general price level during the 1920s and early 1930s, thus exaggerating the fall in general retail prices as officially measured.

⁷⁹ Speech of George Hicks (Building Trade workers) attacking the cost of living sliding scale basis for wage settlements, TUC, *53rd Annual Congress Report*, 1921, p. 284.

⁸⁰ Turner to the 1921 TUC, *ibid.*, p.288. The issue of minimum wages did not feature at the Mond-Turner talks of 1928-29 (R. Charles, *The development of industrial relations in Britain*, p. 302) possibly for fear of raising the spectre of the failed National Industrial Conference of 1919.

⁸¹ See *56th Annual Congress Report*, 1924, p. 457. Hallsworth, whose book *The Legal Minimum* was to be published in 1925, was Industrial General Secretary of the National Union of Distributive and Allied Workers.

⁸² Cross, a delegate of the Amalgamated Weavers Association, considered a national minimum wage impracticable. See *ibid.*, pp. 458-59.

⁸³ In fact, the part of the resolution quoted was preceded by a call only for 'an investigation into the practicability and'. For the debate, see *58th Annual Congress Report*, 1926, pp. 476-79.

⁸⁴ See answer to Part III, Q. 4. The complete draft of the responses, endorsed by the full TUC, is held in the (TUC) Trade Board Advisory Council files, MRC, MSS. 292/230/2. Almost the first act of the second Labour government in June 1929 was to ratify the ILO Minimum Wage Fixing Machinery convention, thereby becoming only the second country to do so (after Germany).

⁸⁵ See answer to Part I, Q. 1. This was of course the basis for the 1918 Trade Boards Act.

⁸⁶ See answer to Part III, Q. 2. Organised labour hitherto had steadfastly refused to put a figure on the deliberately elastic conception of a living wage. Rowntree's figures were cited as 63/- for men and 35/- for women this time.

⁸⁷ For a good summary of this fillip to the trade unions' campaign for a living wage in Feb. - Mar. 1920, see Alan Bullock, *The life and times of Ernest Bevin. Vol. I*, pp. 116-132.

⁸⁸ Rodney Lowe reminds us that the TUC never represented more than one-third of the workforce after 1921, in *Adjusting to democracy*, p.84. Speaking in support of the Notification of Poverty Bill on 2 April 1935 (see below), Lord Stanley of Alderley claimed to have been 'inundated by communications from people all over the country, expressing the hope that something at last might be done for them - people having no trade union and no representative in Parliament to make a noise on their behalf.' See *96 H.L. Deb. 5s. col. 500*.

⁸⁹ Paul Addison, *The road to 1945. British politics and the Second World War* (Pimlico edition, 1994), p. 45. For two decades after 1926, Bevin and Citrine were the 'twin giants' of the TUC.

⁹⁰ R.E. Dowse, *Left in the centre*, p. 35 & Ch. 2. Prior to 1918, the Labour Party was merely a federation of affiliated organisations; constituency-level organisation tended to be run by either ILP branches or local trades councils.

⁹¹ As Dowse asserted in *ibid.*, p. 122, 'Biological gradualism and the inevitability theory of the Webbs tended to become philosophical underpinning for timid policy.' Thus the lack of majority parliamentary backing for the two MacDonald Labour governments provided the excuse, rather than the reason, for their lack of 'socialist' character.

⁹² Indeed, thanks to the ILP's anti-war stance, and the consequent infusion of Union of Democratic Control Liberals into its camp, the ILP's 'neo-Gladstonian' non-conformist conscience character, epitomised best by the figure of Philip Snowden, had been strengthened. Witness the defection of Josiah Wedgwood, a Liberal individualist, to the ILP in 1919.

⁹³ In this context, perhaps a distant analogy with the contemporary arguments in Russia between Stalinists and Trotskyites over whether to engineer 'socialism in one country' or foster 'world revolution' (respectively) is not too far-fetched.

⁹⁴ It is important to remember, in this context, that governments anxious to lift the exchange value of sterling pursued domestic deflation throughout the 1920s, not just from 1925.

⁹⁵ His 1902 *Imperialism* is perhaps his best early articulation of his theory of underconsumption. Ch. 5 of A.J.F. Lee's "A study of the social and economic thought of J.A. Hobson" (Unpublished PhD thesis, University of London, 1970) provides an in-depth analysis of this issue. See also E.S. Nemmers, *Hobson and underconsumption* (New York, 1965).

⁹⁶ Memorandum on 'The Policy of High Consumption', by J.A. Hobson, produced for the Labour Party/TUC Living Wage Committee 1927, p. 5 (MRC, MSS. 292/117/8).

⁹⁷ See J.A. Hobson, *Poverty in plenty. The ethics of income* (1931), p. 64.

⁹⁸ Dowse pointed out that Creech Jones, then a research officer for Bevin's Transport and General Workers Union, was included in order to relate ILP policy closer to trade unions, see *Left in the centre*, p. 130n. This inclusion was to prove a forlorn gesture.

⁹⁹ Published by the ILP later in 1926 as a 6d. pamphlet, *The living wage*. Copy held in MRC, MSS. 292/117/8.

¹⁰⁰ Brailsford, Hobson, Creech Jones & Wise, *The living wage*, p. 7.

¹⁰¹ *Ibid.*, pp. 6 & 8.

¹⁰² *Ibid.*, p. 23. Income thresholds during this period were constructed such that industrial workers covered by national health insurance and those liable for income tax constituted mutually exclusive social classes.

¹⁰³ *Ibid.*, p. 51.

¹⁰⁴ Brailsford *et al*, *The living wage*, pp. 21-22. See also, Eleanor Rathbone, *The disinherited family* (1924), Ch. II 'The doctrine of a uniform "living wage"'. On pp. 19-20 she asserted that, 'To pay every man on the basis of the five-member family wage would mean providing for a population of 8,360,000 men, 8,360,000 wives, and 25,080,000 children. Under such an arrangement provision would be made for 3 million phantom wives, and for over 16 million phantom children in the families containing less than three children, while on the other hand, in families containing more than three children, those in excess of that number, over 1¼ million in all, would still remain unprovided for.' The ILP also followed Rathbone in condoning provision for phantom wives on the grounds that unmarried men would have to pay someone to carry out those domestic duties considered the responsibility of a wife.

¹⁰⁵ Brailsford *et al*, *The living wage*, p. 26.

¹⁰⁶ See letter of J. Wray (Assistant Secretary, (TUC) Trade Boards Advisory Council) to F. Le Gros Clark (of the Committee Against Malnutrition) dated 14 Oct. 1937, MRC, MSS. 292/230.1/1. Wray was quoting the evidence of Professor L.T. Hobhouse, chairman of several trade boards, before the Cave Committee.

¹⁰⁷ See TUC General Council Research Dept. Memorandum on 'The Minimum Wage in Australia' (4 May 1928), pp. 7-8, MRC, MSS. 292/116/1.

¹⁰⁸ Brailsford *et al*, *The living wage*, p. 20.

¹⁰⁹ Financed by a 10s. 9d. weekly levy on employers in respect of each adult worker employed, see *ibid.*, p.21. Neither proposal of the Piddington Commission was acted upon.

¹¹⁰ See Maud Pember Reeves' plea for a policy of 'state endowment of motherhood' (family allowances) in conjunction with a minimum wage in *Round about a pound a week* (1913).

¹¹¹ TUC General Council Meeting, 22 Mar. 1927. Excerpt from minutes held in MRC, MSS, 292/117/8.

¹¹² In the *New Leader*, 2 Nov. 1928, cited in Dowse, *Left in the centre*, p. 134.

¹¹³ John MacNicol, *The movement for family allowances*, p. 33.

¹¹⁴ Although MacNicol (*ibid.*, p.32) quotes from a 'Memorandum of evidence by Miss Eleanor Rathbone ... to the Royal Commission on the Coal Industry', José Harris insisted that Rathbone adhered to the full 'human needs' standard, refusing to associate herself with wage cuts; it was Beveridge who insisted on reducing this standard. See *William Beveridge. A biography* (Oxford, 1977), pp. 344-45.

¹¹⁵ John MacNicol, *The movement for family allowances*, p. 34.

¹¹⁶ See text of the very long debate in 62nd *Annual Congress Report*, 1930, pp. 381-409.

¹¹⁷ European family allowance schemes were funded on a contributory basis and the Liberal Party's Industrial Inquiry likewise proposed industry-based 'wage-pool' financed allowances. See *Britain's industrial future – being a report of the Liberal industrial inquiry* (1928), pp. 190-92.

¹¹⁸ Memorandum on 'The I.L.P. Living Wage Scheme' (6 Dec. 1927), p. 3, MRC, MSS. 292/117/8. Milne-Bailey was Secretary of the TUC's Research Dept. and Secretary of the Joint Committee on the Living Wage. In fact, the ILP Commission's report was confident that if income tax returned to its wartime figure of 6/- in the £ (30%) and the 'super tax' burden on the very rich was raised the money could be found. Given that income tax rates had stood at 4/- (20%) since 1925 (their lowest level during the inter-war period), the ILP were admittedly proposing a hefty rise in the direct tax burden on the middle and upper classes.

¹¹⁹ Joint Committee on the Living Wage, 'Full report of evidence submitted on ... 8 Dec. 1927', p. 10, MRC, MSS. 292/117/10. Wise replied that although expanded social services were desirable in themselves, industry would be better served by a measure directly increasing people's spending power.

¹²⁰ The resolution encapsulated the policies outlined in the ILP's Living wage Commission report. See Labour Party, *Report of the 26th Annual Conference, Margate, 1926*, pp. 259-61.

¹²¹ See Labour Party, *Report of the 27th Annual Conference, Blackpool, 1927*, pp. 216-17. In private, John Paton, Secretary of the ILP's ruling National Administrative Council, was pressing the Labour Party for action. See his letter of 26 Aug. 1927, in MRC, MSS. 292/117/3. In the event, the Committee did not start interviewing witnesses until Dec. 1927, by which time Margaret Bondfield had replaced Hugh Dalton as chairman of the Committee. A legitimate reason for the dilatory progress of the Living Wage Committee was the understandable preoccupation of the labour movement with the 1927 Trade Disputes Act, which forced trade unionists to 'contract in' to the political levy and rendered certain forms of sympathetic strike action illegal.

¹²² See G.D.H. Cole, *A history of the Labour Party from 1914* (1948), p. 198.

¹²³ Extract of minutes held in Joint Committee on the Living Wage Papers, MRC, MSS. 292/117/8.

¹²⁴ Letter of 13 Apr. 1926, cited in Alan Bullock, *The Life and times of Ernest Bevin. Vol. I*, p. 389.

¹²⁵ Labour Party, *Report of the 27th Annual Conference*, p. 218 (J.B. Figgins).

¹²⁶ R Palme Dutt, a Communist Party (CPGB) member, *Socialism and the living wage* (1927), p. 119. Arthur Horner, a CPGB member and Miners' Federation official, condemned the ILP's campaign as 'utter nonsense'. See Labour Party, *Report of the 27th Annual Conference*, p. 220.

¹²⁷ John MacNicol, *The movement for family allowances*, p. 142.

¹²⁸ See Labour Party, *Labour and the nation* (revised edn, 1928), p. 17.

¹²⁹ See F.W.S. Craig, *British general election manifestos*, pp. 6, 13-14, 22, 36-37, 56-59.

¹³⁰ Milne-Bailey Memorandum on 'The I.L.P. Living Wage Scheme' (6 Dec. 1927), p. 3, MRC, MSS. 292/117/8.

¹³¹ See *The Commonwealth*, 1 (1896), pp. 128-29. Hobson rejoiced 'that it should be incapable of exact definition... Must not 'Living Wage' contain all the vagueness, the lack of limit, which belongs to the term "life," which it embodies? ... A 'living wage' for any class of workers must evidently provide for the maintenance of all wholesome and pleasant elements of customary consumption. But to stop here at a standard, however high, fixed by custom or otherwise would be to abrogate the central principle of progress contained in the idea of a living wage.' Likewise, Philip Snowden asserted that 'The Living Wage is not to be expressed in concrete terms.' See *The living wage* (1912), p. 3.

¹³² Brailsford *et al*, *The living wage*, p. 30. The TUC/Labour Party refused to appoint such a commission. The ILP also refrained from doing so, ostensibly on the grounds that with a general election approaching, representative members prepared to give their full attention to the project would be few in number (see ILP, *Report of the N.A.C. to be presented to the 1929 Annual Conference*, p.12). In reality, ILP minutes of an NAC meeting on 24-25 Nov. 1928 reveal that the predicted cost of a commission, estimated at £100 plus, proved an effective deterrent to a party in serious financial straights.

¹³³ Brailsford *et al*, *The living wage*, p. 33. This was intended to stimulate further reorganisation of industry. Furthermore, it was suggested that the figure should be revised upwards every five or ten years, see p. 36.

¹³⁴ Joint Committee on the Living Wage, 'Full report of evidence submitted ... on 14 Dec. 1927', pp. 17-18 (MRC, MSS. 292/117/10).

¹³⁵ The original draft resolution urged Labour 'to declare in favour of a living wage so large that industries could not pay it for the purpose of forcing a reconstruction of industry'. See Labour Party, *Report of the 26th Annual Conference*, p. 260. Hence whilst MacDonald and his wife viewed the minimum wage as a distraction from the real fight for socialism before 1909, by the 1920s he feared that the Living Wage campaign was Trojan Horse for a socialist transformation of the British economy!

¹³⁶ Joint Committee on the Living Wage, 'Full Report of evidence submitted ... on 8 Dec. 1927', p. 2.

¹³⁷ For example, see Ben Turner's encapsulation of disbelief that it represented a practically-achievable *immediate* policy, 'I gather it is all or "nowt"', *ibid.*, pp. 17-18. Similarly, John Beard observed (p. 11) that reorganisation of industries tended to produce unemployment, a moot point, given the ILP's commitment to eliminating it.

¹³⁸ Brailsford *et al*, *The living wage*, p. 5. Additionally, at the first of the four hearings of ILP witnesses before the Living Wage Committee, Brailsford, hitting all the wrong notes, reminded his audience: 'Inevitably, at a time of depressed trade, any effort by a Trade Union to raise its standard is at least difficult, if not impossible'. See 'Full report of evidence submitted ... on 7 Dec. 1927', p.3.

¹³⁹ See Joint Committee on the Living Wage, 'Full Report of evidence submitted ... on 14 Dec. 1927', pp. 13 & 16, respectively.

¹⁴⁰ See Brailsford *et al*, *The living wage*, p. 33. The report was careful to stress, on p. 35, 'At every stage of this process, the Trade Unions would retain their freedom to bargain and their traditional functions. The Living Wage would not be imposed by the State, but the State would make the conditions in which Unions could demand it with every prospect of success.' On p.7, the Report said 'In the last resort it is on the organised refusal of men to work for less than a living wage that our hope of securing it lies'.

¹⁴¹ See H.H. Elvin's questioning of Frank Wise before the Living Wage Committee on 8 Dec. 1927 ('Full Report', p. 5): 'You mean that, outside of public authorities and Government services, the workers would have to rely entirely on industrial action, in order to bring up the level of wages to that set down in the Resolution?' Wise replied 'Yes', but stressed that the introduction of family allowances and industrial reorganisation 'would have a reviving effect on the general prosperity' and thus facilitate successful union action.

¹⁴² Memorandum on 'The I.L.P. Living Wage Scheme' (6 Dec. 1927), p. 1. Pointedly, John Beard asked Frank Wise how the ILP's policy of leaving the trade unions to secure a living

wage differed from the present system! See, Joint Committee on the Living Wage, Full Report of the evidence submitted ... on 8 Dec. 1927, p. 13.

¹⁴³ See *ibid.*, p. 20.

¹⁴⁴ Milne-Bailey Memorandum on 'The I.L.P. Living Wage Scheme' (6 Dec. 1927), p. 6.

¹⁴⁵ See Joint Committee on the Living Wage, 'Full Report of evidence submitted', pp. 10, 26-29.

¹⁴⁶ See Labour Party, *Report of the 28th Annual Conference, Birmingham, 1928*, pp. 32-33 for the Living Wage Committee's original ranking of the issues relating to the inquiry. The 'General conception of the Living Wage' came first, whilst family allowances constituted the third sub-section of the fifth point.

¹⁴⁷ See *Report of the 30th Annual Conference, Llandudno, 1930*, p. 169. A similar promise was made by Milne-Bailey to John Paton in a letter dated 20 Dec. 1929, in MRC, MSS. 292/117/6.

¹⁴⁸ See Harvester Press, *Archives of the Independent Labour Party. Series I. Pamphlets and Leaflets*. 1929/30 'The Report of the N.A.C. to be presented to the Annual Conference, 1929', p. 3.

¹⁴⁹ See *Left in the centre*, pp. 130-51.

¹⁵⁰ However, the Yorkshire Divisional Council branches, at least, continued to promote *Socialism in Our Time* through a series of delegate conferences throughout the dispute, see Harvester Press, *Archives of the ILP*, 1927/2, 'Yorkshire & N.E. Derbyshire Divisional Council Annual Report, 1926-27', p. 5. This is contrary to Dowse's assertion (in *Left in the centre*, p. 136) that this region of the ILP 'rejected the policy from the beginning'.

¹⁵¹ The Manifesto is reproduced in Dowse, *Left in the centre*, Appendix 3, pp. 216-17.

¹⁵² After a 7-6 vote and the resignation of one Council member, the NAC 'fudged' the dichotomy between the two policies and welcomed the 'Manifesto' as a means of 'encouraging the branches and members of the Party to co-operate in attempting to secure a strong Socialist programme.' See 'Report of the NAC to be presented to the Annual Conference, 1929', pp. 12-13.

¹⁵³ See the pamphlet published by W.T. Symons, *A living wage or a living income. An attack upon the 'Living Wage' programme and an alternative policy for the Independent Labour Party*, Harvester Press, *Archives of the ILP, Series I*, 1927/29. Symons asserted that 'no wage system, however benevolent in intention, can capture the imagination of the poor. They have forgotten that socialism came into being to supersede the wage system.'

¹⁵⁴ Harvester Press, *Archives of the ILP, Series I*, 1929/30. ILP Conference Report, 1929, pp. 76-77.

¹⁵⁵ *Ibid.*, Appendix 14. Report by the ILP Living Income Committee, p. 106.

¹⁵⁶ See *ibid.*, pp. 108-10.

¹⁵⁷ *Ibid.*, p. 111. Furthermore, trade boards and joint industrial councils were to be given two years to reach the 'standard minimum', as the living wage was now perceived, or else the trades concerned would be subject to the intervention by the Industrial Commission with its powers of reorganisation.

¹⁵⁸ Thus the ILP entered the 1929 general election with similar policies to those of Lloyd George's Liberals, see below.

¹⁵⁹ 247 H.C. Deb. 5s. col. 2329 (6 Feb. 1931). The Labour Cabinet re-affirmed its rejection of any general minimum wage policy on 31 Mar. 1931, see PRO, CAB/23/66/C.21(31).

¹⁶⁰ See letter dated ? Feb. 1931 to an Austrian trade unionist, in MRC, MSS. 292/116/1. On the day of the debate, Bondfield had been careful to establish whether the TUC still adhered to its 1922 policy renouncing a national minimum wage, see record of a telephone conversation between J.V.C. Wray (TUC Research Dept.) & G.H. Ince (Ministry of Labour official) in *ibid.*

¹⁶¹ G.D.H. Cole provides a brief survey of Mosley's campaign, from the drafting of his Memorandum in February 1930 to the launch of the New Party in the spring of 1931, in *A history of the Labour Party*, pp. 237-43. As Mosley's proposals bore little direct relevance to the question of wages, it is not proposed to look further into this interesting episode here.

¹⁶² Namely: Bob Boothby, Harold Macmillan, John Loder & Oliver Stanley.

¹⁶³ *Industry & the state*, p. 196. For the group's full exposition of the case for and potentials of minimum wage fixing boards, see pp. 192-202.

¹⁶⁴ Robert Rhodes James, *Bob Boothby. A portrait* (1991), pp. 87-88.

¹⁶⁵ Paul Addison, *The road to 1945*, p. 27.

¹⁶⁶ *Britain's industrial future – being the report of the Liberal industrial inquiry*, p. 466.

¹⁶⁷ *Ibid.*, p. 468.

¹⁶⁸ See Liberal Publication Department, *Pamphlets and Leaflets, 1925*, p. 47 (Proceedings of the 42nd Annual Meeting of the Council of the National Liberal Federation, 14-15 May 1925).

¹⁶⁹ See 62nd Annual Congress Reports, 1930, pp. 201-03. The re-titled 'Rates of Wages' Bill was introduced to the Commons in July 1931 by Arthur Hayday, but did not progress further. For a brief summary of the fate of the Industrial Councils Bills sponsored in the 1920s by some JICs, see Alan Fox, *A history of the National Union of Boot and Shoe Operatives 1874-1957* (Oxford, 1958), pp. 449-50.

¹⁷⁰ Under this measure, voluntary agreements concluded between the Cotton Spinners & Manufacturers Association and the Amalgamated Weavers Association were enshrined in a Statutory Order and made applicable to the non-federated sectors of the industry. For this Bill's second reading debate see 289 *H.C. Deb. 5s.* cols. 1961-2028 (17 May 1934).

¹⁷¹ So said Harcourt Johnstone, Liberal MP for South Shields, whilst introducing the Notification of Poverty Bill on 28 Jun. 1933, 279 *H.C. Deb 5s.* col. 1488.

¹⁷² In *Living wages. The case for a new Minimum Wage Act* (New Fabian Research Bureau pamphlet, 1938), p. 31.

¹⁷³ Besides, both Sweden and the USA, which had experimented with deficit-financed reflationary policies in the 1930s had unemployment figures of 10% and 18% respectively by the end of the decade. See Paul Addison *The road to 1945*, p. 33.

¹⁷⁴ Gordon Phillips, Ch. 5 "the Social Impact" in, Constantine, Kirby & Rose, *The First World War in British history* (1995), p. 124.

¹⁷⁵ *Ibid.*, p. 124.

¹⁷⁶ For instance, John Boyd Orr in *Food Health and Income* (1936) feared that half of the British population lacked sufficient income to enable them to obtain a diet 'completely adequate for health', cited in Harold Macmillan, *The middle way. A study of the problem of economic and social progress in a free and democratic society* (1938), p. 61.

¹⁷⁷ John MacNicol, *The movement for family allowances*, p. 46.

¹⁷⁸ *Ibid.*, Ch. 3.

¹⁷⁹ A TUC file held in MRC, MSS. 292/116/1 contains a copy of the Bill, Liberal Party propaganda in favour of it and related correspondence.

¹⁸⁰ See letter dated 27 Sept. 1933 to William Mellor of the *Daily Mirror*, in *ibid.*

¹⁸¹ By the Tory MP for Aylesbury, Michael Beaumont. For this Ten-Minute Rule Bill debate, see 279 *H.C. Deb. 5s.*, cols. 1487-92 (28 Jun. 1933).

¹⁸² See speech of Lord Rochester, the Paymaster General, 96 *H.L. Deb. 5s.*, cols. 494-97 (2 Apr. 1935). Additionally, Viscount Bertie of Thame reckoned (col. 491) that 'employees will not be prepared to have their wages determined as if they were recipients of public assistance.'

¹⁸³ See his letter to Morris dated 22 Aug. 1935, in MRC, MSS. 292/116/1.

¹⁸⁴ See Morris' letter to Citrine dated 23 Aug. 1935 and Citrine's reply of 26 Aug., *ibid.* By this time, Morris had amended his Bill to provide for universal minimum rates on agricultural wages committee scales, with weekly increments for town workers of 10/- and 5/- (men and women respectively), but no parliamentary time was found for discussion of this 'Notification of Unfair Wages' Bill by its sponsors.

¹⁸⁵ B.S. Rowntree, *The human needs of labour* (1937 edn.), p. 15.

¹⁸⁶ *Ibid.*, pp. 11-12.

¹⁸⁷ See *ibid.*, Ch. VI "Women's Wages" pp. 102-110. For an analysis of the 12% of women who wholly or partially supported others see his table on p. 156, Appendix H.

¹⁸⁸ See *ibid.*, pp. 129-33.

¹⁸⁹ See *The middle way*, especially Ch. IV "Minimum needs and present incomes" & Ch. XIV "The minimum wage".

¹⁹⁰ So long as it made annual progress of at least one-fifth of the amount necessary to achieve this, see *ibid.*, p. 306.

¹⁹¹ Paul Addison, *The road to 1945*, p. 43.

¹⁹² In the words of R.R. James, *Bob Boothby*, p. 74.

¹⁹³ In *Living wages. The case for a New Minimum Wage Act*, p. 6.

¹⁹⁴ See *ibid.*, p. 11.

¹⁹⁵ *Ibid.*, p. 13. An unsigned 4pp. review of Cole's pamphlet dated Dec. 1938 held in the TUC papers (MRC. MSS.292/230.152/6) stated on p. 3 that 'It is obviously highly improbable that such a situation would be accepted either by unions or employers' associations in the well

organised trades' and wanted the proposed Commission to 'exclude from its authority all workers now covered by collective bargaining processes.'

¹⁹⁶ Cole, *Living wages*, p. 17.

¹⁹⁷ *Ibid.*, pp. 25 & 31. He based his figures on the average trade board minima then current and wanted the Commission to have powers to increase the rates after public enquiry. However, as agricultural minima were so far below this level, he proposed to exclude agriculture from this general minimum.

¹⁹⁸ TUC review of Cole's pamphlet, *op. cit.*, p. 4 (MRC, MSS. 292/230.152/6).

¹⁹⁹ See G.D.H. Cole's review of the programme in *A history of the Labour Party from 1914*, pp. 345-46.

²⁰⁰ See J. Savage, Prime Minister of New Zealand, *New Zealand's Progress under Socialism* (Labour Party pamphlet, 1937), p. 6. The general basic minimum rate was £3 16s.

²⁰¹ However, even allowing for prices current at the time, the minimum rate of 25 cents fixed in 1938 was very modest. Furthermore, until amendments to the legislation were made after the Second World War, there were wide exemptions from its coverage. See ILO, *Minimum wage fixing and economic development* (Geneva, 1968), pp. 77-78.

CONCLUSION

The second challenge of 'total war' in little over one generation once again stripped government of its peace-time inhibitions with regard to wage regulation. Tension with the trade unions was minimised by Ernest Bevin's appointment as Minister of Labour and National Service in May 1940. This helped ensure that although labour was under the direct control of the state to an unprecedented extent, trade union sensitivities and interests were not overlooked. Trade union standard rates were given statutory force across industry by means of 'Order 1305'.¹ However, measures were also taken to avert the possibility that existing statutory wages boards apparatus would be marginalised, as during the First World War. The 1940 Trade Boards and Road Haulage (Emergency Provisions) Act streamlined rate-fixing procedures and reduced the quorum for meetings to just one member each representing employers, workers and the state. Additionally, the 1940 Agricultural Wages Act empowered the Central Wages Board to fix a national minimum wage for the industry.

Having first-hand experience of the corrosive effects on collective bargaining caused by high levels of unemployment during the inter-war period, Bevin breathed new life into wages board machinery by his 1945 Wages Councils Act. He wanted wages councils to serve as guarantors of national collective bargaining in the event of a recurrence of a post-war economic slump. The interests of representative industrial organisations were thus placed ahead of the low wages justification for statutory intervention in

the wages field. The 1945 Act can thus be regarded as the true heir of the Second Whitley Report of 1917.

The constitutional straightjacket emasculating the functions and potential of trade boards was discarded when they became wages councils. The removal of the narrow 'trade' definition featured in the 1909 and 1918 Trade Boards Acts facilitated their much-needed extension into the service sector. Principally on account of their expansion into the catering and retail sectors during the 1940s, wages councils protected approximately 3½ million, mainly female, workers by the time of Bevin's death in 1951. Furthermore, wages councils were empowered to fix general 'remuneration', rather than merely specific classes of minimum rates, and could regulate hours, overtime, and paid holiday provisions as they saw fit.² Thus the relationship between voluntary collective bargaining machinery and legal wage regulatory apparatus was made extremely close.

However, this assumption by the wages councils of general wage regulatory, as opposed to merely minimum rate-fixing powers placed them in a delicate position in relation to the trade unions. Indeed, as early as 1952, the TUC were concerned that 'voluntary machinery should be encouraged with a view to its finally superseding the statutory machinery, which has never been regarded as more than a second best.'³ This conviction amongst trade unionists that wages councils were obsolete was accentuated over the subsequent two decades; the years prior to 1973 being characterised broadly by 'full employment', general prosperity and rising trade union membership. Accordingly, almost half of the wages councils were abolished on a piecemeal basis between the 1950s and 1970s, in cases where the government, trade

unions and employers' organisations alike were confident that collective bargaining could replace their function.

However, evidence revealing that in those sectors where legal wage protection had been withdrawn collective bargaining had faltered and low pay remained a problem helped trade unions rediscover an appreciation for the virtues of wages councils after 1979. Facing the twin challenges of declining membership and the return of high levels of unemployment, apparent since 1975 but especially severe from 1980, the remaining wages councils were useful to trade unions in bolstering wage standards. This fact was not lost on the Thatcher governments, committed to an economic agenda based on 'New Right' principles which attributed unemployment to 'rigidities' in the labour market and workers' 'pricing themselves' out of jobs by demanding too high a level of wages.

In an echo of the trade board crisis of the early 1920s, the TUC mounted a staunch defence of the wages councils. However, this was to be in vain, for by contrast with the 1920s, the government, not the employers, spearheaded the attack upon minimum wage machinery.⁴ Until the government could free itself formally from the International Labour Organisation Convention 26 commitment to minimum wage machinery in 1985 it undermined the wages councils by whittling down their inspectorate and pressurising them to award modest wage increases. The 1986 Wages Act was a more overt assault on the system. Wages councils were stripped of their wage regulatory role and permitted to fix just one basic adult rate and all workers under the age of 21 were removed from their protection. The Major government finished the job, abolishing the remaining wages councils in 1993.

Included in the Labour Party's manifesto for the 1992 general election was the promise to introduce a statutory national minimum wage. It is thus a delicious irony that the primary political consequence of the Thatcher governments' onslaught against Britain's modest minimum wage coverage was to awaken the labour movement to the merits of a comprehensive uniform national minimum wage! After all, for sixty years following the TUC's emphatic rejection of such a policy in 1922 it had virtually no currency amongst the labour movement.

Indeed, trade union hostility, together with Bevin's status within the government, rendered Beveridge's 1942 plan for such a policy stillborn.⁵ Fearing that a national minimum wage, necessarily fixed at a modest level, could be regarded as a 'state-approved normal wage, the effect of which would be to drag down wage rates in other industries', the 1948 TUC Congress reaffirmed its rejection of the policy.⁶ In 1967 the Wilson government responded to the contemporary 'rediscovery' of poverty by considering the feasibility of a national minimum wage. However, it concluded that selective social benefits tailored to individual needs were a more efficient means of relieving poverty.⁷ The TUC concurred, and continued to oppose the principle of a statutory national minimum wage throughout the 1970s. Having regard to the fact that women workers suffered disproportionately from low pay, the Wilson government passed the Equal Pay Act in 1970. However, this worthy measure could not help those women who were low paid not because of sex discrimination, but on account of the nature of the work they performed and the conditions under which it was undertaken.

Both the TUC and the Labour Party became formally committed to a national minimum wage policy in 1986. Two factors chiefly accounted for this apparent *volte-face*. Firstly, most of Britain's fellow European Union members had by then adopted national minimum wage systems.⁸ Secondly, the labour movement had become all too painfully aware that its prescribed remedy for low wages (namely: expansion of trade union membership and collective bargaining together with limited statutory intervention in those instances where this policy was not deemed immediately practicable) was an inadequate response to the unprecedented harshness of the economic *and* political climate of the 1980s. The National Minimum Wage Act was passed in 1998, at the end of the first parliamentary session of the Blair government, and came into force on 1 April 1999 at the rate of £3.60 per hour.

In fact, the attitude of the TUC was instrumental to the course of statutory minimum wage policy in Britain during the twentieth century. Pride and fear in equal measure ensured that organised labour maintained a consistently ambivalent attitude towards the issue throughout. Trade unions tended to represent the higher-skilled classes of wage earners and were usually able to bargain with employers on equal terms to safeguard and improve the working conditions of their members. For those lower classes of workers who remained unorganised the trade unions reserved a certain incomprehension and contempt. Indeed, the labour movement as a whole remained aloof from 'the poor' prior to 1939.

On the other hand, the defensive, self-preservationist streak of organised labour was aroused whenever government encroached upon their

realm of activity. Thus although millions of unorganised, largely unskilled, workers would have benefited from the protection of a legally underwritten 'floor' to wages, organised labour feared that state 'trespass' into the wage regulatory field would remove for the workers concerned a prime justification for trade union membership. The state was distrusted by organised labour as an agency under the control of men whose background and interests were inimical to those of wage earners. The TUC's perennial opposition to the compulsory enforcement of voluntary agreements was generally couched in these terms. To trade unions concentrating on winning higher 'living' wages for their members, statutory minimum wages would in any case prove little, if any, help. Furthermore, the desire of organised labour for the working classes to enjoy a greater share of, and control over, the nation's wealth could not be realised through a manipulation of the wage system alone.

Of course, trade unions did not hold a unanimous opinion on wage regulation, any more than on other issues. Throughout the period of this study, many trade union officials accepted the argument that in sectors characterised by poor conditions a legal benchmark to wages provided an essential pre-requisite to the organisation of down-trodden workers. It was on these grounds that the National Anti-Sweating League persuaded the TUC to support its campaign for legal minimum wages in 1906. The NASL emphasised that it was seeking statutory wages boards only for those 'sweated' trades characterised by a high degree of female labour and home-working, classes of workers almost totally outside the TUC's coverage.

Until after 1918, when trade boards were extended to the fringe of major industries and could regulate wages-rates in sectors where the trade

unions had a presence, albeit not necessarily a strong one, the attitude of the TUC towards them could be described as one of 'benevolent apathy'. Before the First World War, organised labour was still pre-occupied with questions relating to its legal status and political representation. Arenas where state intervention was welcomed were confined to such matters as the regulation of hours, sanitary conditions and the 'Right to Work'.

The TUC could no longer ignore the existence of the trade boards during the inter-war period. However, organised labour's attitude towards state interference in wages questions was coloured during the war by its generally suppressive influence, at least as far as the wage-rates of many skilled male workers was concerned, and the sharp decline in trade union membership after the collapse of the post-war boom in 1921. During the 1920s, trade board determinations were condemned by trade unions for being both too low and too high! Where legal minima fell below trade union standard rates they accused trade boards of legitimising low wages and undermining rates won by collective strength. Conversely, when trade board minima compared favourably with those rates governed by collective agreements trade unions feared that their efforts were discredited and their future role rendered superfluous.

Organised labour was thus resistant to any further significant foray into statutory minimum wage regulation beyond the limited-application trade boards system. This freed the government from ever having to consider 'universal' minimum wage policies. The TUC could support trade boards, ostensibly for the protection of 'weak', predominantly female, workers unable to organise themselves.⁹ However, the endorsement of any more

comprehensive statutory minimum wage policy would have represented an implicit admission by the trade unions that even their collective strength was insufficient on its own to maintain wage standards. This apparent challenge to their virile self-perception organised labour could not accept. The Labour Party, careful to defer to the TUC's judgement on most 'industrial' questions, adhered to this stance.

However, even the most powerful trade unions were prepared to harness the power of statutory guarantees as armoury against recalcitrant employers when they perceived such action to be in the immediate interests of their members. This was demonstrated by the Miners' Federation's campaign for a minimum wage in 1912. Furthermore, as the 1934 Cotton Manufacturing Act and the 1938 Road Haulage Wages Act both illustrated, unions could appreciate that legal powers could help bolster collective agreements against the challenges of falling membership, high levels of unemployment and other deflationary consequences. In fact, the relative strength of trade unions vis-à-vis employers in a trade was an important determinant of attitudes towards legal minimum wage protection. The strategy of the Garment Workers' Union on the clothing trade boards highlighted the fact that for the less powerful trade unions with only patchy coverage across trades, legal support of voluntary agreements with employers was the only means of enforcing them. The stronger trade unions, able to ensure the observance of their collective agreements, naturally had less strategic interest in state interference into wage determination. This was evidenced by their contemptuous dismissal of the Joint Industrial Council machinery proposed by the Whitley Committee. With regard to the TUC, Walter Citrine noted that individual trade unions were

‘intensely jealous of their autonomy and afraid of their authority being usurped.’¹⁰ This fortitude was magnified several times over, against the might of the state.

The 1921-1922 ‘employer backlash’ thesis is inadequate on its own as an explanation for the limitation of British statutory minimum wage policy to a partial-application sectorised basis only. It fails to take into account the trade unions’ own ‘backlash’ later during the same decade, which led the TUC to endorse and so cement the cautious ‘thus far and no further’ tripartite consensus regarding minimum wage regulation.

As the Cave Committee hearings confirmed, the employers’ attitudes towards minimum wage regulation was not simply one of straightforward hostility. Again, although there was no uniform ‘business’ opinion regarding the issue, employers’ organisations shared, with trade unions, an instinctive distrust of government intervention in industrial relations matters in normal circumstances. In stark contrast to the trade unions, employers considered that government was too influenced by the electorate, dominated by wage-earning households, with too little weight being accorded to their opinions. Furthermore, wartime regulation of industries had seriously eroded managerial controls over the workplace.

In lieu of any realistic prospect for government endorsement of a comprehensive minimum wage policy, the issue remained one of academic interest only, to the vast majority of employers who were not affected by the various forms of statutory minimum wage apparatus. ‘Business’ considerations, such as the proportion of wages to the overall cost of production, whether the product was intended for a mass consumption market

which would benefit from higher working class disposable incomes, or the price-elasticity of demand for the goods produced, thus may have determined individual employers' attitudes to the question. Alternatively, employers' private political opinions, for example, on the menace of sweating in particular, the merits of welfare capitalism in general, or else the 'tyranny' of state interference may have determined such views. The question of minimum wages tended to concern the lesser organised, lower-paying trades. By contrast, all employers had a stake in issues such as business taxation, especially the rating system, and workplace safety and sanitary legislation, whilst most employers outside the sheltered sectors were interested in the tariffs question and Sterling's exchange rate.

However, for those trades that were characterised by weak or non-existent employers' organisations, statutory wages boards provided a much-valued protection for (organised) employers paying 'fair', or trade union standard, wage-rates against undercutting by disreputable (invariably non-federated) rivals. Industrial relations in the trade could thus be regulated and collective agreements made binding on 'bad' as well as 'good' employers. Employers' organisations allied to the Wholesale Clothing Manufacturers' Federation (WCMF) were as keen as the clothing workers' unions to push their voluntary agreements through the trade boards. David Little, a leading figure within the WCMF, admitted that, 'though we do not say it is perfect, we do say that we would rather be under a Trade Board with its imperfections than be without a Trade Board at all'.¹¹ Alternatively, employers used the existence of legal minima determined by representative trade boards to justify their refusal to negotiate separate collective agreements providing for higher

rates. For this reason, most employers endorsed only a limited application of the legal minimum wage principle.

Although they appreciated the protective value of bare minimum wage standards, most employers did not want the coercive powers of the state used to regulate 'standard' rates above this level. Hence, much of the controversy surrounding minimum wages amongst employers and trade unions alike concerned not the *principle* of such statutory intervention but the *level* of the rates fixed. On this question, the old adage that the devil is in the detail certainly applied! Confined merely to instances where conditions mitigated against representative industrial organisations regulating their own terms of contract, the employers' organisations could endorse a limited application of statutory minimum wages policy on pretty similar lines to that of the trade unions. In spite of periodic shifts in policy emphasis, both sides of industry placed a premium on the sanctity of voluntarily agreed wage-rates in normal circumstances. They both therefore endorsed a 'lowest common denominator' statutory wages board policy, applied on an *ad hoc* 'trade' basis, only where no immediate hope of fostering 'normal' industrial relations machinery existed.

Impressed by this industrial consensus, governments of all political colours willingly embraced this limited application minimum wage policy. Indeed, apart from when the commitment to 'total war' demanded an extraordinary level of state direction of the economy, government was keen to limit its entanglement in the intricacies of the wage system to the minimum level compatible with the consequences of universal suffrage. Government was content to hide behind the sectional interests of representative

organisations of employers and workers so as to avoid confronting fundamental weaknesses in the workings of the free market economy. In particular, the non-comprehensive trade boards policy overlooked the manifest insufficiency of wage levels prevailing for lesser skilled workers, even in sectors where higher skilled workers were well organised.

The support, of both organised labour and employers, for the limited application minimum wage policy thus awarded an apparent legitimacy to the government's abdication of responsibility towards millions of unorganised, low-paid workers. Indeed, in all likelihood, the tripartite corporate consensus in favour of this policy did not extend beyond the organised sectors of industry. Statutory regulations governing industrial conditions, were generally resented more by non-federated employers than by their organised rivals, who were more likely already to be in compliance with them. On the other hand, unorganised workers, earning wage rates at or below existing levels of statutory minima, probably would have welcomed such legal safeguards.

Perhaps governments were guilty of nothing more than reflecting contemporary attitudes, in remaining sceptical of the judiciousness of state intervention into the economic and social relationships of its citizens. For all the collectivist initiatives of the Edwardian governments, *laissez-faire* principles were not abandoned in Whitehall until 1915/1916, and then only under duress and for the duration of the war. Furthermore, although minorities were radicalised by the depressingly high persistent level of unemployment from 1921, a majority of the British polity remained pessimistic that state initiatives could somehow induce a return to prosperity. In any case, if wages boards were to be reserved only for those sectors where a substitute for

collective bargaining machinery was deemed necessary, this precluded their application throughout industry. Instead, the government endorsed the TUC's urgings to workers to join trade unions and help enhance the prospect that voluntary agreements could be negotiated and observed.

Such a 'minimalist' minimum wages policy meant that wages boards were used merely to eliminate 'unfair' competition for the benefit of 'good' employers and downtrodden workers alike and raise 'sweated' wage rates to the average level current in the appropriate sector. This did not necessarily induce any upward pressure on real wage levels in those trades where prevailing rates were low. In fact, aside from the agricultural minimum wage machinery, where the vast majority of the workers covered were male, the government gave no formal guidance to trade boards, intended primarily for female workers, in respect of wage-fixing criteria.

However, such lack of government direction to trade boards helped them become entrenched in the industrial relations structure, for when they collaborated trade unions and employers' organisations could override independent members and minority interests on their own side of the trade board and enjoy considerable autonomy over the legal regulation of conditions in their trade. The devolved structure of minimum wage fixing bodies enabled the government to minimise its direct involvement in rate fixing. Civil servants, political parties and industrial organisations were all keen to concede that semi-autonomous boards, representative of their trade, were intrinsically better qualified to fix minima, taking account of conventional wage payment systems, than any central authority.

In fact, the contention that the trade board model of minimum wage regulation provides the key explanation for the initial acceptance and later direction of the policy, between 1906 and 1939, is fundamental to this study. Indeed, a minimum wage policy was deemed practicable only within the perimeters of the trade boards model.

Apart from concerns about levels of minimum rate evasion, without question an Achilles' heel of the trade board system, even inherent flaws in this method of minimum wage implementation served to further enhance their status. For instance, motivated by the need to secure competent and articulate representatives, Whitehall awarded a far higher proportion of seats on the trade boards to members of employers' organisations and, even more strikingly, trade unions, than their coverage in those trades strictly warranted. The true representative nature of trade boards was thus exaggerated. However, by this expediency, trade boards could mirror more effectively existing voluntary negotiation machinery, thus lessening potential opposition to their presence amongst trade unions and employers' organisations.

Likewise, a major drawback of the trade boards method of attacking low wages was, that only those workers whose jobs could be categorised within 'trades', won minimum wage protection. Millions of low paid workers, engaged either in very small, geographically-scattered occupations where the administrative cost of a trade board would have proved prohibitive, or else in miscellaneous factory or service sector employment belying definition under the scope of the Trade Boards Acts, were thus excluded. In lieu of any realistic prospect of a uniform national minimum wage policy prior to the 1980s, a universally applied district or regional wages board structure

remained the best hope of implementing a truly comprehensive minimum wage strategy. However, in the eyes of trades unions and employers' organisations, this form of minimum wage machinery would have contrasted unfavourably with the close alignment of trade boards with collective bargaining apparatus. Meanwhile, the government remained resistant to underwriting a minimum wage for all workers.

Ironically, the modestly successful record of trade boards in raising the wage levels of the poorest workers covered by their scope helped confirm their limited application status. Trade unions welcomed the levelling up of lowest wage levels but were content that trade boards frequently achieved little more than this because it bolstered their claim that workers would only win a living wage by voluntary collective action.

Despite containing both staunch paternalistic wages board enthusiasts such as Henry Cavendish Bentick and irreconcilably hostile opponents of state intervention such as Frederick Banbury within the parliamentary party, the Conservatives were prepared to sanction minimum wage regulation on similar grounds to that of the trade unions. Trade boards were endorsed, but were a policy expedient to be applied sparingly as an anti-sweating remedy. During the inter-war years, the Conservatives' adherence to trade boards allowed them to avoid any serious consideration of more comprehensive minimum wage policies.

The Liberal and Labour Parties were keener, in principle, for a bolder application of the trade boards than the Conservatives, who dominated government so successfully between 1916 and 1939. The Liberals, increasingly impotent as a political force following the Asquith-Lloyd George

schism, continued to proclaim their pride in sponsoring the original Trade Boards Act, and *Britain's Industrial Future* envisaged statutory minimum wages board machinery for all trades.

Similarly, the Labour Party were greater enthusiasts for trade boards than their TUC brethren, viewing them, like the Webbs, as the best available means of fulfilling the wages aspect of the 'National Minimum'. Generally speaking, and to the occasional frustration of the TUC, the political wing of the labour movement, enjoying a more balanced gender profile, was slightly less encumbered with matters of sectional concern to its industrial wing when policies intended to improve the lot of the poor were considered.¹² Additionally, as a governing party at national and local level by the 1920s, Labour overcame faster its distrust of the state. Nevertheless, the Labour leadership ensured that the TUC was not provoked by party policy on industrial questions moving too far ahead of organised labour's. Besides, even allowing for the negative economic context, the two minority Labour governments of this period were characterised by timidity and inertia on the domestic front. Overall, the broad *de-facto* acceptance of the 'lowest common denominator' trade board consensus was illustrated by the general absence of the minimum wage issue from all parties' general election manifestos during this period. Thus, for most of the three decades prior to 1939, trade boards were endorsed, albeit sometimes grudgingly, into obscurity.

Of course, trade boards did not always endure the dubious fate of being smothered by bipartisan embrace. During the 'reconstruction' plans emerging during the latter half of the First World War, trade boards broke free from their limited, anti-sweating, homework and gender-bound chrysalis which had

encased the minimum wage debate for the previous decade. Although these arguments were crucial determinants in the decision of the British polity to sponsor the novel experiment in statutory minimum wages determination, the 1918 Trade Boards Act jettisoned the anti-sweating criterion of the original Act in favour of a much broader 'substitute collective bargaining' role. It was thus the latter measure which held out the prospect that the Trade Boards Acts would produce a radical shift in government policy towards minimum wage regulation, rather than merely represent a symbolic radical advance in principle. Although the 'Whitley-ite' policies suffered the fate of other reconstruction policies with the onset of depression in 1921 it was the 1918 Act which pushed trade boards 'out of the shadows' and ensured that they were established in sufficient numbers for them to be counted amongst the general industrial relations machinery. Henceforward, trade unions and employers' organisations were both affected by, and, in their turn, helped determine, trade boards policy.

The close involvement of the trade unions and employer organisations within the workings of the trade boards helped ensure that the notion of a national minimum wage enjoyed almost no credible support during this period. Sidney Webb, co-author of the 'National Minimum' concept, was representative of the British polity in regarding the universal minimum wage principle as futile, on account of the low level at which it would have to be fixed. Concurring with this logic, the labour movement had very little interest in this policy, in spite of occasional pressure from its grass-roots membership.

The thirty shillings weekly minimum wage policy, endorsed by the labour movement until 1916, was little more than a clarion call for the

campaign for higher wages. The TUC, ILP and Labour Party hierarchies had little faith in its suitability as a practical policy expedient. After all, they could barely decide both whether or not the thirty shillings figure was to apply nation-wide, and to women as well as male workers.

In fact, only after the Second World War did three factors emerge which can be considered as pre-requisites to the credibility of the national minimum wage concept. Firstly, the development of national collective bargaining was deficient until after 1940. Although it had been given a great fillip during the First World War, even where national agreements were concluded during the inter-war period, they tended to provide only for uniform national variations on differential district rates. Regional wage disparities thus remained significant.

Secondly, Equal Pay legislation in 1970 removed a major impediment against the national minimum wage. Women's rates were only a little over half the level of men's prior to 1939. Thus, a uniform national minimum wage would have been fixed either at too low a level to be of benefit to lowly paid male workers or else a gender variation would have had to be instituted. However, such an emphatic legal endorsement of sex discrimination risked offending women, who formed a majority of the electorate from 1928. No less importantly, the trade unions would have been roused against the danger that the lower minimum rate would herald a greater substitution of female for adult male labour and erode wage standards generally.

Thirdly, as trade boards were meeting their limited objectives, the onus was on advocates of a national minimum wage to prove the superiority of their policy in terms of its practicability and beneficial effects. However,

international comparisons were scant. Apart from Australia and New Zealand, Britain's wages board apparatus amounted to the most comprehensive system of wage regulation in the industrialised world. Antipodean methods of minimum wage enforcement via industrial courts were completely unacceptable to the TUC. The 1938 American Federal minimum wage experiment failed to provide the necessary illumination. As first implemented, the USA's 25 cents hourly minimum was scarcely more inclusive than the British systems, for it embraced only blue collar workers engaged in inter-state commerce, agriculture excluded.

Thus although Sheila Blackburn is correct to charge NASL stalwarts such as R.H. Tawney and J.J. Mallon with exaggerating the success of their trade boards progeny, her argument that this diverted the labour movement away from the 'rival' national minimum wage policy is not tenable. This argument represents an unconvincing attempt to transpose contemporary standpoints on to the very different political and industrial context of the pre-Second World War period. In truth, there was no dichotomy, in principle at least, between 'rival' national and wages board policies during this period. This is because the term 'national minimum wage' was used as shorthand for 'minimum wage for all' policies, or, more accurately, for *nearly* all. Thus a 'national minimum wage', as we understand the term today, was not then considered a realistic policy by any industrial or political institution.

Accordingly, the policy alternative to the limited application of trade boards was a more all-embracing wages board policy during this period. Advocates of 'minimum wage for all' policies invariably followed the Whitley Reports' prescription for the expansion of wages board machinery for ill-

organised sectors combined with the compulsory extension of voluntary agreements in the better-regulated trades. In essence, this policy formed the basis of the ILP's Living Wage programme, in conjunction with a strengthened commitment by the government to paying its own workers fair wages.

Even the Webbs, typical of the pre-1939 'national minimum wage' enthusiasts, thus viewed wages board apparatus not as the rival to their objective, but as the means of implementing it. Admittedly, given the inability of 'trade'-defined wages boards to protect many low-paid workers, trans-trade district level boards were occasionally advocated as having greater potential for universalising minimum wage protection.

Wages board policies were embraced during the two instances where the prospect of government implementation of minimum wage for all policies seemed greatest. For instance, the Liberal Cabinet in 1914 may have been poised to commit to a policy of district wages boards throughout England and Wales, covering town and countryside workers alike. Similarly, the government-endorsed 1919 National Industrial Conference recommendation for universal minimum wage protection envisaged trade boards as the best-available means of implementing the policy in those sectors of industry not regulated by voluntary agreements. It was thus paradoxical that the government adopted a policy of major trade board expansion as an 'alternative' to the NIC's proposals! Of course, the abrupt curtailment of the trade boards expansion in March 1921 meant that they were never to escape their limited application roots.

However, for twenty-two months after the Armistice, the government underwrote a minimum wage for all by means of the 1918 Wages (Temporary Regulation) Act, which extended wartime arbitration machinery. By the judicious policy of twice extending this universal minimum wage guarantee until after the economy had readjusted itself to peacetime conditions and the optimism induced by the 'reconstruction' spirit had faded, the government were able to evade a more permanent commitment to upholding a minimum wage for all.

Nevertheless, without the implementation of policies complementary to universal minimum wage protection prior to 1939 the policy would have been found wanting as an anti-poverty precaution. Individuals and organisations who gave serious consideration to the minimum wage policy, for instance Seebohm Rowntree and the economist, A.C. Pigou, together with the Fabians and the ILP, recognised that it provided only a partial solution to the need of households for a minimum *income*. Until the post-1944 commitment to full employment, coupled with a comprehensive system of social insurance, the credibility of the national minimum wage principle suffered because a worker so 'protected' lacked an assurance that the rate could be earned for a full week's work all year round. Even more importantly, a minimum wage could not address the problem that the wage system itself took no account of the individual needs of the worker. A 'living' wage for a worker with few or no dependants was naturally much lower than for the 'breadwinner' trying to support a large family. The role of a minimum wage in helping to establish a minimum income was given greater plausibility following the introduction of family allowances in 1946. This was a policy having also to overcome the

hostility of the TUC and the inertia of governments, unwilling to undertake further welfare responsibilities during the inter-war period.

This study, which has sought to reconstruct the course of the debate surrounding the minimum wage issue prior to 1939 by bringing alive the voices of its main participants, has two central conclusions. The first is that the semi-autonomous, representative constitutional structure of trade boards proved crucial to the notion of a statutory minimum wage being accepted by the political establishment. Indeed, for ninety years after the Australian State of Victoria first experimented with statutory minimum wages board machinery in 1896, the minimum wage concept in Britain was accepted *only* within these confines. The close relationship between the trade boards and the existing structure of voluntary collective bargaining apparatus helped foster a broad tripartite consensus in favour of statutory wages boards as an, ostensibly temporary, 'second best' to voluntary agreements. It is illustrative that the breakdown of this consensus during the 1980s was due to a change of heart by the government, not either of the two sides of industry. The second major conclusion of this study is that official trade union ambivalence towards the idea that the state should intervene in 'its' arena of wage bargaining had a strong influence on the (relatively modest) development of minimum wage policy until recent years. The conservative, limited application of trade boards consensus could never have been achieved had the TUC not placed the labour movement at its centre. This helped ensure that whilst the question of universal minimum wage coverage was never entirely extinguished, it failed to ignite in the mainstream political arena until the breakdown of the 'lowest common denominator' trade boards consensus after 1979.

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¹ 'Conditions of Employment and National Arbitration Order, 1940, No. 1305.'

² Many of the changes applied to the former trade boards under the 1945 Act drew upon innovations contained in the 1938 Road Haulage Wages Act and the 1943 Catering Wages Act, Bevin having played an instrumental role in both measures, as a trade union leader and cabinet minister, respectively.

³ 'Note on wages councils – extension of voluntary machinery', attachment to Trade Boards Advisory Council Executive Committee meeting of 29 Apr. 1952, University of Warwick, Modern Records Centre (MRC), MSS. 292/230/3.

⁴ Albeit with the support of the small business lobby. By contrast the Confederation of British Industries favoured the retention of wages councils. See Sheila Blackburn, "The problem of riches: from trade boards to a minimum wage", *Industrial Relations Journal*, 19 (1988), p. 132.

⁵ Beveridge proposed that a statutory minimum wage sufficient to provide subsistence for a man, wife and one child, together with family allowances and social insurance, would abolish 'Want', one of his 'five giants'. See José Harris, *William Beveridge. A biography*, pp. 431 & 450.

⁶ See *Report of Proceedings at the 80th Annual TUC, Margate, 1948*, pp. 506-10. The quotation is taken from TUC Research Department 'Notes on Clerical & Administrative Workers' Union Resolution – Minimum Wages' dated 26 May 1948, MRC, MSS. 292/116/1.

⁷ See Department of Employment and Productivity, *A National Minimum Wage. Report of an Inter-Departmental Working Party* (HMSO, 1969), p. 51.

⁸ Prior to 1975, when Belgium began the 'second wave' of states instituting the policy, the USA (1938), Netherlands (1945) and France (1950) were the only countries to adopt a comprehensive minimum wage policy. However, none of these systems were initially characterised by a legal national minimum hourly rate of wages of universal application.

⁹ This standpoint overlooked the fact that the unions often utilised the boards for the purpose of safeguarding the interests of the skilled male minority within their scope.

¹⁰ In *Men and Work – an autobiography* (1964), p. 227.

¹¹ See *Towards industrial peace. Being the Report of the proceedings of a conference organised by the League of Nations Union ... on systems of fixing minimum wages...* (1927), p.49.

¹² Martin Francis has noted that the average female membership of the Labour Party was ½million during the inter-war years. See "Labour and gender", Ch. 6 in Duncan Tanner, Pat Thane & Nick Tiratsoo (eds.), *Labour's first century* (Cambridge, 2000).

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